



RELEVANT, EFFICIENT, EFFECTIVE –
SELECTIVELY REDUCING REPORTING REQUIREMENTS

Annual Report 2025
Deutsches Rechnungslegungs
Standards Committee e. V.



Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

CONTENTS

Relevant, efficient, effective – selectively reducing reporting requirements.

The DRSC has always advocated for proportionality, clarity and practical applicability when it comes to reporting requirements, acting as an expert bridge between policymakers, standard-setters and companies. Last year, we focused on aligning regulatory objectives with administrative simplification and translating insights gained from committees, working groups, surveys and events into concrete recommendations.

We present four key themes in the concept section of the 2025 Annual Report that highlight the DRSC's contribution to reducing bureaucracy in corporate reporting – in all cases with the aim of easing the burden while ensuring effective reporting. We look forward to continuing our dialogue with members, stakeholders, the public and regulators, and to working with them to shape the future of corporate reporting.

Forewords	03	IV. Spotlight on Members	44
Chairman of the Administrative Board	03	Preparer Forums	44
Executive Committee	07	CAO Calls	47
I. Financial Reporting	12	V. Financial Information	48
The DRSC's own standard-setting and other national projects	12	Financing	48
Effective GASs, ASCG Interpretations and ASCG Implementation Guidance	16	Annual Financial Statements	49
Collaboration with EFRAG	17	Independent Auditor's Report	51
Cooperation with the IFRS Foundation	18	VI. Governing Bodies and Standing Committees	53
Collaboration with other standard-setters	21	General Assembly	53
Comments and other publications	23	Administrative Board	55
II. Sustainability Reporting	25	Nomination Committee	56
Collaboration with national institutions	26	Executive Committee	56
Collaboration with European Institutions	27	Technical Committees	57
Collaboration with International Institutions	30	Stakeholder Panel	59
Comments and other publications	34	Staff	60
III. Overarching Corporate Reporting Issues	37	Working Groups	62
ASCG Implementation Guidance 5 Consolidated		Abbreviations	66
Non-Financial Statement in accordance with ESRS	37	Contact Information	67
Omnibus I Package from the European commission	38	Liability/Copyright	67
Transposition of the CSRD	39		
Other projects and cooperation arrangements	40		
Comments and other publications	42		

Forewords //

- I. Financial Reporting //
- II. Sustainability Reporting //
- III. Overarching Corporate Reporting Issues //
- IV. Spotlight on Members //
- V. Financial Information //
- VI. Governing Bodies and Standing Committees //

Ladies and Gentlemen, Dear DRSC Members,

In 2025, the DRSC continued to perform its wide-ranging tasks as a national standard-setter and, drawing on its technical expertise, provided important momentum and guidance for corporate reporting in Germany and internationally. I would therefore like to take this opportunity to look back with you on the past year.

We observed a wide range of developments in the area of sustainability reporting in 2025, although it should be noted that the Corporate Sustainability Reporting Directive (CSRD), which came into force at the beginning of 2023, had not yet been transposed into German law at the time of publication of this Annual Report. As the legislation transposing the CSRD had not been adopted in 2024 – due to the collapse of the ‘traffic light’ coalition – the legislative process had to start again following the formation of a new government last year, in accordance with the principle of legislative discontinuity. In July 2025, the Federal Ministry of Justice and Consumer Protection then published a ministerial draft on the transposition of the CSRD, which proposed a 1:1 transposition of the CSRD into German law. In September, the Federal Cabinet subsequently approved the government draft, which differed little from the ministerial draft. From the perspective of report preparers, the requirement that the management report must not only be published in a standardised electronic format (ESEF format) (disclosure solution), but also prepared in that format (preparation solution), remains particularly problematic.

Fortunately, the Federal Council’s Legal and Economic Committees addressed this issue in their written opinions. It correctly recognised that the preparation solution would result in a

significant additional administrative burden for companies. The Committees therefore made a clear recommendation to replace the preparation solution with a disclosure solution. If necessary, an amendment to the Directive should be brought about at European level. It was also highly welcome that the Committees once again called on the federal government to reassess the need for ESEF tagging in light of state-of-the-art AI solutions.

The federal government published counter-arguments to the Federal Council’s opinion. With regard to the proposed disclosure solution, it emphasised that this was not compatible with EU directives, but pointed to efforts to secure a corresponding amendment to the directives at European level. It remains to be seen to what extent the federal government will be able to achieve this within the EU, and whether this will be accomplished in time for the mandatory implementation of the CSRD in Germany. A possible postponement of implementation of the preparation solution beyond 2025 is being considered. With regard to ESEF tagging, which was also criticised by the Federal Council, the federal government unfortunately adopted a cautious stance and indicated that it wished to monitor further developments for the time being. A specific timetable for the legislative process to transpose the CSRD into German law has not yet been published, so we will have to continue exercising patience.

Marking up the financial statement components as part of ESEF tagging continues to raise many practical questions for companies, and is subject to constant change due to updates to the Basic Taxonomy. Due to the ongoing high demand, the DRSC continued

Forewords //

- I. Financial Reporting //
- II. Sustainability Reporting //
- III. Overarching Corporate Reporting Issues //
- IV. Spotlight on Members //
- V. Financial Information //
- VI. Governing Bodies and Standing Committees //

offering the Preparer Forums on ESEF-based electronic financial reporting last year as well, thereby facilitating dialogue between DRSC members moderated by a high level of technical expertise.

Last year, the European lawmakers also further clarified the Omnibus Package aimed at simplifying sustainability reporting requirements. In April 2025, a ‘Stop-the-Clock’ proposal was published in the EU Official Journal following an accelerated procedure, postponing the date of first application of the CSRD by two years for companies in the second and third ‘cohorts’ that are not yet required to report under the current Directive. Furthermore, according to the Substance Proposal, there are no longer any plans to issue sector-specific ESRS or a standard for Listed Small and Medium-sized Enterprises (LSME). Limited assurance audits of sustainability reporting are expected to remain sufficient in the long term, which is very welcome as it gives companies greater flexibility in their decision-making.

In addition, in March 2025, the European Commission tasked EFRAG with revising Set 1 of ESRS, which is also intended to provide relief for the first cohort of companies already required to report under the CSRD. The Commission intends to adopt the final revised ESRS as a delegated act in mid-2026, meaning that the revised standards would then probably apply on a regular basis to financial years beginning on or after 1 January 2027. The DRSC actively accompanied EFRAG’s revision of ESRS and proactively engaged with EFRAG on multiple occasions throughout the process by submitting position papers and letters. In addition, it contributed to the consultation on



▲ **Marco Swoboda**
Chairman of the Administrative Board

Forewords //

- I. Financial Reporting //
- II. Sustainability Reporting //
- III. Overarching Corporate Reporting Issues //
- IV. Spotlight on Members //
- V. Financial Information //
- VI. Governing Bodies and Standing Committees //

the revised standards by submitting a comment letter. Over the past year, the DRSC provided preparers in Germany with an overview of the changes through various briefing papers. In addition, the outreach event organised in collaboration with EFRAG, during which various aspects were discussed jointly by standard-setters and preparers, met with a very positive response. To enable a deep-dive analysis of the changes, technically robust, detailed analyses were also made available, allowing preparers to keep track of the progress of the revision at all times.

In addition to its activities in the field of sustainability reporting at national and European level, the DRSC continued to play an active role in 2025 in the further development of the ISSB's international sustainability reporting standards. For example, we submitted comment letters as part of the consultation on amendments to IFRS S2 and the SASB standards.

We also observed a number of interesting developments in the field of financial reporting last year. As in the previous year, a key topic was the new financial reporting standard IFRS 18 *Presentation and Disclosure in Financial Statements*, which has already been endorsed. The standard is now required to be applied in the EU for financial years beginning on or after 1 January 2027 and will replace IAS 1. Although the standard generally contains more comprehensive and more restrictive requirements governing the presentation of financial statement elements with a view to enhancing

their comparability and transparency, a number of financial statements, a number of practical issues remain unresolved. The IFRS IC addressed some of these issues in 2025 and sought comments on its preliminary agenda decisions. As usual, the DRSC stepped up to the plate, and the comment letter also incorporated feedback from members gathered during the Preparer Forums, which were continued in 2025. The moderated discussion of practical issues within the DRSC's membership enabled companies to exchange views on the relevant topics at an early stage and to benefit mutually from the insights gained in the implementation projects. The discussions between members in the Preparer Forums, moderated by the DRSC, will continue to be offered in 2026 due to the high level of interest.

Overall, the DRSC's technical committees addressed all amendments to standards and participated in every IASB consultation, acting as the 'German voice'. For example, comment letters were submitted to the IASB on the exposure drafts relating to the equity method and the proposed changes to the accounting for provisions, as well as a comment letter as part of the post-implementation review of IFRS 16 *Leases*. The DRSC will also be addressing the amendments to risk mitigation accounting, which were published as an exposure draft in December 2025, in 2026 and beyond.

At national level, too, the DRSC played an active role in drafting and developing legislation in 2025. Foremost among this is the Minimum Tax Adjustment Act, which implements the OECD's

new administrative guidance. Within the scope of its mission, the DRSC had primarily commented on accounting-related issues and cross-cutting topics between accounting and tax law, issuing comment letters on the second discussion draft as well as the ministerial and government drafts. Following approval by the Federal Council, the law came into force in December 2025. Against the backdrop of various practical issues relating to the implementation of the minimum taxation requirements, the DRSC also established a Preparer Forum last year exclusively for its members, which will be continued in 2026. The aim is to offer an opportunity for dialogue and discussing implementation and enforcement issues relating to the Minimum Tax Act (Pillar Two) of relevance to accounting.

In addition, the DRSC supplemented the evaluation of the application of IFRSs in single-entity financial statements, which began in 2023, with a case study. The findings from the case study, together with the results of the structured stakeholder interviews conducted in previous years and the empirically differentiated online survey of companies and other stakeholders, were summarised in ten propositions on the exempting application of IFRSs in single-entity financial statements. The position paper is intended to serve as a basis for further discussions with representatives of companies, industry associations and federal ministries regarding the possible introduction of a conditional option to apply IFRSs in single-entity financial statements, with a view to improving the efficiency of financial

Forewords //

- I. Financial Reporting //
- II. Sustainability Reporting //
- III. Overarching Corporate Reporting Issues //
- IV. Spotlight on Members //
- V. Financial Information //
- VI. Governing Bodies and Standing Committees //

reporting. The DRSC is thereby actively supporting lawmakers in developing concrete proposals to ease the burden on German companies.

The DRSC's membership numbers remained stable. Last year, we welcomed two new members: Genoverband e. V. and INA-Holding Schaeffler GmbH & Co. KG. Three members – Deutsche Bahn AG, Aareal Bank AG and DORNBACH GmbH – left the DRSC at the beginning of 2026.

Bernd-Peter Bier (Bayer AG) and Harald E. Wilhelm (Mercedes-Benz Group AG) stepped down from the Administrative Board at the close of the General Assembly on 11 July 2025. Tobias Lages (BASF SE) and Helene von Roeder (Merck KGaA) were elected as new members. I would like to express my sincere thanks to the outgoing members of the Administrative Board for their commitment and look forward to working with the new representatives on this key DRSC body.

There were a number of personnel changes on the DRSC's technical committees in 2025.

At the start of 2025, there was a vacancy on both the Financial Reporting Technical Committee and the Sustainability Reporting Technical Committee. These positions were filled on 1 May 2025 with the appointment of Sven Jansen (Hellmann Worldwide Logistics SE & Co KG) to the Financial Reporting Technical Committee and Susanne Visbeck (Münchener Rückversicherungs-Gesellschaft AG) to the Sustainability Reporting Technical Committee, both in the 'Preparer' category. At the end of March, Prof. Dr Corinna Ewelt-

Knauer (Justus Liebig University Giessen) stepped down from her position on the Financial Reporting Technical Committee for personal reasons. Prof. Dr Carsten Theile (Bochum University of Applied Sciences) was appointed as her successor in the 'Academic' category effective 1 May 2025, for a term of three years.

The Administrative Board extended the term of office of Dr Michael Seifert (BayWa AG) on the Financial Reporting Technical Committee by three years, effective 1 December 2025. Likewise, Martin Bolten (NRW.BANK) and Dr Lothar Rieth (EnBW AG) were both re-elected to the Sustainability Reporting Technical Committee for a three-year term. In addition, Till Kohlschmitt (RSM Ebner Stolz GmbH & Co. KG) was appointed to the Financial Reporting Technical Committee to succeed his colleague Birgit Weisschuh, effective 1 December 2025.

I would like to take this opportunity to thank the members of our technical committees and working groups for their successful work over the past year, and look forward to the consistently informed discussions on future issues.

As always, the DRSC's dedicated, forward-looking achievements are due above all to the efforts of the Executive Committee and the DRSC team. On behalf of the Administrative Board, I would therefore like to express my sincere thanks to Mr Lanfermann, Prof. Dr Morich and all the members of the DRSC's staff for their commitment and productive collaboration. I would like to wish you continued success in tackling the wide range of tasks facing the DRSC!

The DRSC's Administrative Board and staff will continue to act on your behalf and address the emerging challenges in the economic and political environment, and drive forward financial and sustainability reporting in equal measure. In future, we will continue to support the further development of globally standardised reporting requirements in keeping with our guiding principles, involve stakeholder interests in the dialogue process and, at the same time, emphasise the proportionality of reporting obligations and company size.

Sincerely

Marco Swoboda

Chairman of the Administrative Board

Forewords //

- I. Financial Reporting //
- II. Sustainability Reporting //
- III. Overarching Corporate Reporting Issues //
- IV. Spotlight on Members //
- V. Financial Information //
- VI. Governing Bodies and Standing Committees //

Dear DRSC Members and Corporate Reporting Stakeholders,

In 2025, the competitiveness of the European economy and the associated reduction of bureaucracy increasingly became a political priority – not merely as a buzzword, but as a binding goal for reform that was negotiated at length in Brussels and Berlin and, in some cases, enshrined in law. The reduction of reporting obligations is a central component of this debate and is not limited solely to sustainability reporting.

The DRSC has always been a strong advocate of proportionality and the practical feasibility of reporting requirements. This sees the DRSC acting as a ‘technically focused facilitator’ for policymakers, standard-setters and companies. The aim here is to adopt a practical approach to simplifying complex reporting requirements without compromising the quality or comparability of financial and sustainability reports.

Last year, we focused in particular on finding the right balance between the actual objectives of regulatory requirements and reducing the administrative workload. The insights gathered at the DRSC from technical committees, working groups, internal DRSC preparer forums, pilot projects and other events were translated into concrete recommendations. In this light, it is not surprising that we have also made the topic of reducing bureaucracy in corporate reporting the keynote theme of this year’s annual report.

During the Omnibus debate, the DRSC played a pivotal role in driving forward the ESRS revision at EFRAG

There was significant progress especially at European level in 2025. The European Commission’s large-scale project (the Omnibus Initiative) to reduce numerous reporting requirements deserves special mention. This concerned several directives – the CSRD, the CSDDD and the Audit Directive – and focused in particular on the revision of ESRS Set 1. The aim was to implement relief measures quickly and reduce the complexity of the ESRS requirements.

Drafting these amendments was a Herculean task for EFRAG – in terms of both timing and technical complexity. The final proposal for the revised ESRS (technical advice) was submitted to the European Commission in early December. This issue was the subject of intensive discussion by EFRAG, all stakeholders and ourselves over the past year. The DRSC had already sent an initial position paper to EFRAG in mid-April 2025, with the objective of stimulating discussion on the content of the revision and overcoming emerging internal resistance within EFRAG. Merely reducing the number of data points would not have achieved the intended effect of reducing the workload. Subsequently, despite tight deadlines, the DRSC worked tirelessly to discuss the interim results and drafts within its committees and with the German community, and to incorporate these into EFRAG’s work. The close cooperation with other major national standard-setters has helped to ensure that the DRSC’s positions are reflected in the EFRAG process.

Forewords //

- I. Financial Reporting //
- II. Sustainability Reporting //
- III. Overarching Corporate Reporting Issues //
- IV. Spotlight on Members //
- V. Financial Information //
- VI. Governing Bodies and Standing Committees //



▲ Prof. Dr. Sven Morich (left)
Georg Lanfermann (right)
Executive Committee

There has also been further progress at European level. In November 2025, the European Commission published the simplifications to the application of ESRS (the 'Quick Fix') in the Official Journal. Following lengthy negotiations at the EU trilogue level, final agreement was reached on the amendment to the CSRD and the corporate due diligence obligations under the CSDDD. The simplifications were published in the Official Journal in February 2026 – a key component of the Omnibus reform package. A new delegated act relating to the Taxonomy Regulation was published in the Official Journal of the EU in early January 2026. The DRSC was actively involved in all these initiatives and kept interested stakeholders continuously informed.

Active involvement of the DRSC in global sustainability reporting standards

The DRSC was also active internationally in 2025: we were heavily involved in the ISSB's consultations on the revision of the SASB standards and on amendments to sector-specific guidance on the implementation of IFRS S2. These projects were discussed in depth at specially organised industry roundtables, technical bodies and public discussion events. Building on this, we prepared comment letters and submitted them to the ISSB.

DRSC provides clarity at a time when the CSRD had not yet been transposed

At national level, transposition of the CSRD into German law advanced to the stage of a government draft. This largely corresponds to the previous ministerial draft and incorporates amendments from the Omnibus Package. However, it was not possible to complete the full transposition process in 2025 as the underlying European legislation had not yet been finalised.

Throughout this protracted process, the DRSC continuously supported its members and the companies concerned by providing information, forums and events.

As the CSRD situation in Germany at the end of 2025 did not differ significantly from that at the end of 2024, we signalled at an early stage our intention to extend the validity of our Implementation Guidance IG 5 Consolidated Non-financial Statement by one year. This implementation guidance addresses the interaction between the principles of proper management reporting under GAS 20 and the ESRS reporting requirements, ensuring greater clarity.

Over the past two years, we also discussed in depth the planned content of a GAS on reporting on intangible resources in the group management report, as well as amendments to GAS 20, and communicated our considerations in the form of briefing papers. However, adoption of and public consultation on the draft standards can only proceed once the legislative process has been completed – which is expected in the second half of 2026.

Forewords //

- I. Financial Reporting //
- II. Sustainability Reporting //
- III. Overarching Corporate Reporting Issues //
- IV. Spotlight on Members //
- V. Financial Information //
- VI. Governing Bodies and Standing Committees //

Expertise and commitment: DRSC plays an active role in shaping international financial reporting

Numerous drafts from the IASB and the IFRS Foundation were available for comment at the start of 2025. In keeping with its usual high standards, the DRSC played an active role in all consultations. Initially, a number of quite controversial consultations from 2024 were concluded, including those on draft standards relating to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and IAS 28 *Investments in Associates and Joint Ventures*. The overarching principle guiding our feedback was always to ensure that the proposed changes were practical and workable.

The IASB then published a Request for Information on IFRS 16 *Leases* midway through the year as part of the post-implementation review. We also contributed a detailed comment letter and, at the same time, urged caution regarding the scope of any revision.

A draft of a new approach to the accounting for risk management activities (dynamic risk management) followed at the end of 2025, as a supplement to IFRS 9. The Financial Reporting Technical Committee is currently closely examining the IASB's proposals and is being supported by the DRSC's 'Financial Instruments' and 'Insurance' working groups. Two sub-working groups were formed for an in-depth analysis, each of which is discussing the draft with a specific focus on banks and insurance undertakings.

At the same time, another focus was on IFRS 18 *Presentation and Disclosure in Financial Statements* and related implementation issues. In this context, the IFRS IC was also busy over the past year discussing and clarifying a large number of application questions that had been submitted. In addition, previous agenda decisions regarding IAS 1 were revisited and, in some cases, amended in light of the transition to IFRS 18. We have established a very well-received dialogue platform in the shape of the IFRS 18 Preparer Forum created specifically for our members and received valuable feedback from practitioners. We have incorporated this feedback – supplemented by the assessments of our Financial Reporting Technical Committee – into our further deliberations.

The following should also be noted in connection with the work of the IFRS IC: over a period of six years, two German members – Karsten Ganssaug and Dr Jens Freiberg – served on the IFRS IC, maintaining close and regular contact with us throughout. After they reached the end of their maximum term of office, both left the IFRS IC at the end of June 2025. We would like to thank them warmly for their commitment and for keeping the DRSC closely involved and informed at all times.

We also maintain a close and ongoing dialogue with EFRAG. In addition to our active participation in the EFRAG FRB and EFRAG FR TEG technical bodies, we also contribute to EFRAG projects through comment letters and other submissions. In this context, we would like to mention in particular our comments on the EFRAG discussion paper on the statement of cash flows, which we discussed at length in our Financial Reporting Technical Committee.

We would also like to highlight our involvement in the endorsement of IFRS 18 (now completed) and IFRS 19 *Subsidiaries without Public Accountability: Disclosures*. In both cases, we supported EFRAG's endorsement advice in our comments to EFRAG and advocated the endorsement of both standards.

While representing German interests in such a diverse range of activities, we do not lose sight of the dialogue with standard-setters from other countries. Through our membership of the IASB's Accounting Standards Advisory Forum (ASAF) and other networking formats, we continue to contribute to the development of globally sustainable solutions for international financial reporting. Current topics include the cost-effectiveness of standard-setting and the technological impact of artificial intelligence on accounting, the type of reporting and financial analysis.

Wide-ranging involvement in financial reporting at national level

In November 2025, we provisionally concluded our study on the evaluation of the application of IFRSs by publishing a position paper on the conditional option for the exempting application of IFRSs in single-entity financial statements in Germany. The paper sets out ten propositions, explaining both the potential benefits of applying IFRSs in single-entity financial statements and the key conditions for introducing such an option. Additionally, the paper outlines the potential scope of application and discusses ways in which

Forewords //

- I. Financial Reporting //
- II. Sustainability Reporting //
- III. Overarching Corporate Reporting Issues //
- IV. Spotlight on Members //
- V. Financial Information //
- VI. Governing Bodies and Standing Committees //

IFRS single-entity financial statements could be used as a basis for various functions of the annual financial statements. The paper therefore contributes to effective and efficient financial reporting, and at the same time highlights ways in which the burden on German companies could be reduced.

The position paper was preceded by a multi-phase study that we conducted from 2023 to September 2025. The aim was to evaluate the application of IFRSs in Germany. This involved conducting interviews and surveys, as well as preparing a case study. The latter rounded off the insights from the corporate perspective by focusing on the practical implications and challenges of potentially applying IFRSs to single-entity financial statements within groups of companies. We are very pleased that we were able to engage in direct dialogue with a dozen groups of companies, thereby providing an authentic insight for this group of preparers.

We would like to extend our thanks to everyone involved who contributed to these results through their participation in the various phases of the study. We recently decided to transfer these activities to an 'IFRSs in Single-entity Financial Statements' working group, thereby placing future activities on a broader footing. The establishment of the working group provides an important opportunity for practitioners to develop ideas and help shape proposals. We hope that this initiative will enable us to make a constructive contribution to the discussion.

The DRSC's financial reporting expertise was also in demand in connection with the implementation and further development of the minimum taxation rules. We closely monitored the legislative process to amend the Minimum Tax Act, which was successfully completed towards the end of last year. As part of this process, we actively contributed to the debate on the legislative amendments by submitting several comment letters as well as through regular, close dialogue between our DRSC 'Tax' working group and representatives of the BMF. In this case too, we paid particular attention to ensuring that the new requirements are easy to understand and can be implemented in practice.

The new requirements of IFRS 18 necessitated a revision of ASCG Interpretation 4 (IFRS) Accounting for Interest and Penalties Related to Income Taxes under IFRSs. Following discussions in the Preparer Forum and the Financial Reporting Technical Committee, we exposed a draft of ASCG Interpretation (IFRS) 5 for consultation in mid-November. This draft revises and comprehensively recasts ASCG Interpretation (IFRS) 4. Final adoption is scheduled for the first half of 2026.

To sum up, 2025 was a year of key decisions, with political actors and standard-setters in Europe and Germany placing the reduction of bureaucracy firmly on the agenda and initiating the first legislative reforms and simplification measures in the context of sustainability reporting. However, the federal government's modern-

isation agenda indicates that the public debate on reducing bureaucracy has only just begun and is increasingly extending to financial reporting as well. The DRSC is acting as an advocate and expert adviser in this debate on the reduction of bureaucracy. The goal is to support political decisions and their administrative implementation in a way that genuinely reduces bureaucracy – not only by cutting down on the amount of paper, but also by delivering measurable, practicable results.

In a nutshell: we will always stay close to the action for you and lead from the front.

Sincerely,

Georg Lanfermann
President

Sven Morich
Vice-President

IFRS EVALUATION

WE ARE LEADING THE WAY – TOWARDS SUSTAINABLE FINANCIAL REPORTING



As part of a multi-phase study running from March 2023 to November 2025, the DRSC evaluated the application of IFRSs in Germany through interviews, surveys and a case study. The insights gathered across all phases of the study were summarised in a position paper, which explains the potential benefits of IFRSs in single-entity financial statements as well as the conditions needed to introduce a conditional option. The aim of the study was to gain insights about the scope of the conditional option and to enable

the effective and efficient design of the conditional option to use IFRSs in single-entity financial statements, as well as to identify specific areas for action to reduce the bureaucracy involved in financial reporting in Germany. Using the results of the study, the DRSC is highlighting perspectives for the further development of financial reporting and at the same time contributing to reducing the burden on German companies.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

I. Financial Reporting

According to the DRSC's *constitution*, the continued development of financial reporting in the interests of the German economy as a whole is one of our core tasks. As the German standard-setter, the DRSC is recognised by the Federal Government, acts as an expert adviser on legislative projects at national and EU level, and represents the interests of the entire German economy internationally, which includes representing the Federal Republic of Germany in international standardisation bodies.

Our mission is enshrined in section 342q(1) nos. 1 to 4 of the HGB. In addition to the tasks mentioned above, this also includes developing recommendations for the application of consolidated accounting principles (German Accounting Standards, GASs) and preparing interpretations of international accounting standards.

As a representative of the Federal Republic of Germany in international standardisation bodies, we work together with the relevant organisations and bodies at all levels. Among other things, this includes cooperation with the IASB and IFRS Interpretations Committee, the European Commission, including the ESAs and EFRAG in particular, national standard-setters in other countries and other international, European and national institutions dealing with corporate reporting issues.

As an adviser, we work closely with the BMJV and, on accounting-related issues in tax law, with the BMF.

The Financial Reporting Technical Committee sets the priority topics and content for financial reporting.

In addition, the Executive Committee and the staff of the DRSC are directly involved in the committee work and working groups of other organisations. Other notable activities include

numerous appearances at national and international conferences and panel discussions, as well as the publication of technical papers and articles.

We report in this chapter on our key projects and activities in the area of financial reporting over the past year.

THE DRSC'S OWN STANDARD-SETTING AND OTHER NATIONAL PROJECTS

DRSC study on the evaluation of the application of IFRSs in Germany

The evaluation of the application of IFRSs in single-entity financial statements marked key milestones in 2025.

In March 2025, we completed phase 2 of the evaluation and published a comprehensive [final report](#) covering the results of the survey conducted among financial statement preparers in the previous year. Because of international interest in the results of the study, an [English summary](#) was also published. The key finding was that entities that already apply IFRSs in their consolidated financial statements particularly favour an exempting option to apply IFRSs in their single-entity financial statements. They expect this to result in cost reductions and a lower bureaucratic burden, among other things. By contrast, entities that do not currently apply IFRSs are significantly more sceptical about this sort of option. Even if these entities do not necessarily reject the introduction of an option, they fear that stakeholders could force them to exercise it, even though they would not be under any legal obligation to do so.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //



▲▲ Alexandra Schädler
▲ Dr Jan Techert, BMJV

After careful consideration of the results – including the findings from [phase 1 of the evaluation](#) – the DRSC’s committees generally supported the introduction of a **conditional** option to apply IFRSs in single-entity financial statements. Such an option would enable entities falling within its scope to benefit from applying IFRSs in their single-entity financial statements, while out-of-scope entities would be protected from implied or explicit pressure to apply IFRSs.

We started work on phase 3 of the study in March 2025. In this phase, we examined how the design of the option could specifically improve the effectiveness and efficiency of financial reporting in Germany and how the application of a conditional option to a specific group of entities should be defined. Follow-up questions regarding other financial reporting functions were also of particular interest, for example in relation to using financial statements as a starting point to assess the income tax base and the use of financial reporting data for regulatory requirements.

To explore these issues, we decided to undertake a case study with entities that could potentially benefit from an option. All entities that already apply IFRSs in their consolidated financial statements were invited to participate. We were able to recruit a total of eleven groups to participate and discuss with them in detail the potential consequences of various types of option. For this purpose, we first collected written responses from the entities based on a comprehensive questionnaire, and these responses were subsequently used as the basis for follow-up interviews. The entities themselves involved various relevant functional areas, such as the tax department or units responsible for regulatory reporting.

We published a [final report](#) on the results of the case study in September 2025. In line with the survey results from phase 2, the participating entities expected to benefit from an option: in particular, they anticipated lower costs, higher quality reporting, and a positive impact on the recruitment of qualified personnel. At the same time, it became clear that the advantages can only be achieved if certain conditions are met. The most important condition that emerged was that all functions of the German GAAP financial statements would have to be replaced by IFRS financial statements. If German GAAP single-entity financial statements were to continue to be required, for example for tax purposes, the option of applying IFRSs in separate financial statements would no longer be attractive for many entities.

The completion of the case study also marked the end of phase 3 of the IFRS evaluation. We then summarised the findings gathered across all phases of the study in a [position paper](#), which was published in November 2025. In a total of 10 propositions, we explain the potential benefits of IFRSs in single-entity financial statements and the necessary conditions for introducing an option. The position paper once again underlines the stance of the DRSC’s committees that a conditional option (i.e., a discretionary option for a limited group of entities) may be useful in helping to reduce the bureaucratic burden for these entities. At the same time, this would protect other entities from having to fear higher costs as a result of any pressure to apply IFRSs. Based on our findings to date, it is possible to structure an option to apply IFRSs in single-entity financial statements in such a way that IFRSs can also serve as a basis for capital maintenance regulations and taxation, as well as for regulatory purposes.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

At the end of the year, we again engaged in intensive discussions with relevant stakeholders. We discussed the ten propositions in a round table format with selected representatives from the BMJV and BMF, as well as representatives from leading German business associations. Entities from phase 3 of the IFRS evaluation contributed practical ideas and insights from their work on the case study.

In 2026, we aim to initiate a comprehensive exchange of expertise with interested stakeholders in order to determine how an exempting option to apply IFRSs in single-entity financial statements could be implemented technically, and how existing implementation hurdles could be overcome. In addition to the insights gained to date and the expertise of various stakeholders, experience from other countries could also be considered – from Italy, for example, where IFRSs are already applied in single-entity financial statements, or Austria, where plans to apply IFRSs in single-entity financial statements are already taking shape.

Minimum Tax Adjustment Act

The legislative process to amend the Minimum Tax Act (MinStG) was completed at the end of 2025: on 19 December 2025, the Federal Council published the Act adjusting the Minimum Tax Act and implementing other measures.

We were actively involved in the legislative process. Firstly, we publicly commented on all published [discussion](#) and [ministerial drafts](#) from the BMF and on the [draft bill](#) from the federal govern-

ment. Secondly, the DRSC and the ‘Tax’ working group were in close regular dialogue with representatives of the BMF regarding amendments to the MinStG or non-statutory clarifications. In line with the DRSC’s mandate, we focused primarily on accounting-related issues and cross-cutting issues between financial accounting and tax law.

In our comments, we welcomed the efforts of the BMF and the federal government to provide relief for companies in certain areas of the MinStG and to clarify or correct ambiguous provisions in the law. Nevertheless, we noted that some proposals would not lead to any significant simplification and drew attention to the fact that the affected companies would continue to face enormous administrative and systemic challenges in implementing the MinStG. In particular, from our perspective, the requirements relating to the deferred tax recapture rules would not lead to any significant simplification. For this reason, we appealed to the German lawmakers to lobby for the complete abolition of the deferred tax recapture through Germany’s delegates in the Inclusive Framework on BEPS. If this were not feasible, we suggested at least a substantial simplification of the rules.

We also called for clarification regarding the usability of reporting packages, which would enable companies to access existing data from Country-by-Country Reports when calculating the CbCR Safe Harbour.

On 5 January 2026, the OECD published the [Side-by-Side Package](#) of the Inclusive Framework on BEPS. This package includes new requirements that will mainly apply to financial years beginning on or after 1 January 2026, including the side-by-side system, a new



▲▲ Dr Jan-Robert Kirchner
▲ Dr Michael Seifert

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //



▲▲ Dr Rupini Deepa Sobottka

▲ Dr Patrick Bosch

Simplified ETR Safe Harbour and the extension of the CbCR Safe Harbour by one year. Our 'Tax' working group, chaired by Dr Gabriele Rautenstrauch, will continue to monitor developments in the area of global minimum taxation and will act where necessary (and where accounting-related issues are affected).

D-ASCG Interpretation 5 No. (IFRS): Accounting for Interest and Penalties Related to Income Taxes under IFRSs

On 13 November 2025, we published the [Draft ASCG Interpretation \(IFRS\) No. 5 Accounting for Interest and Penalties Related to Income Taxes under IFRSs](#) (D-ASCG Interpretation 5) for consultation, with a comment period until 28 February 2026.

This draft addresses the accounting for interest and penalties related to taxes within the meaning of section 3(4) of the AO (*Abgabenordnung*, German Fiscal Code) that relate to current income taxes within the meaning of paragraph 5 of IAS 12 in financial statements prepared in accordance with IFRSs, as adopted by the EU. In particular, the draft proposes new rules for the presentation of interest and penalties related to income taxes in the statement of profit or loss in accordance with the new presentation requirements of IFRS 18 *Presentation and Disclosure in Financial Statements*.

D-ASCG Interpretation 5 (IFRS) constitutes a draft revised version of ASCG Interpretation 4 (IFRS) *Accounting for Interest and Penalties Related to Income Taxes under IFRSs*. The publication of IFRS 18 by the IASB in April 2024 required an amendment to ASCG Interpretation 4 (IFRS).

The final ASCG Interpretation 5 (IFRS) will only be adopted by the Financial Reporting Technical Committee once IFRS 18 has been adopted in the EU, which is expected to happen in spring 2026.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

EFFECTIVE GASs, ASCG INTERPRETATIONS AND ASCG IMPLEMENTATION GUIDANCE (as at 31 December 2025)

German Accounting Standards

DRS 13	Consistency Principle and Correction of Errors
DRS 16	Half-yearly Financial Reporting
DRS 17 (amended 2010)	Reporting on the Remuneration of Members of Governing Bodies
DRS 18	Deferred Taxes in the Consolidated Financial Statements
DRS 19	Duty to Prepare Consolidated Financial Statements, Basis of Consolidation
DRS 20	Group Management Report
DRS 21	Cash Flow Statements
DRS 22	Group Equity
DRS 23	Accounting for Subsidiaries in Consolidated Financial Statements
DRS 24	Intangible Assets in Consolidated Financial Statements
DRS 25	Foreign Currency Translation in Consolidated Financial Statements
DRS 26	Associates
DRS 27	Proportionate Consolidation
DRS 28	Segment Reporting

ASCG Interpretations (IFRS)

ASCG Interpretation 2 (IFRS)	Obligation to Dispose of Electrical and Electronic Equipment
ASCG Interpretation 3 (IFRS)	Interpretation Issues relating to Puttable Financial Instruments in Accordance with IAS 32
ASCG Interpretation 4 (IFRS)	Accounting for Interest and Penalties Related to Income Taxes under IFRSs

ASCG Implementation Guidance

ASCG IG 1 (IFRS)	Specific Issues Relating to Accounting for Partial Retirement Arrangements in Accordance with IFRSs
ASCG IG 2 (IFRS)	Accounting for Costs of Registration in Accordance with the EU REACH Regulation
ASCG IG 3 (IFRS)	Selected IFRS Accounting Issues with a Particular Relevance to Macroeconomic and Entity-specific Crisis Situations
ASCG IG 4 (IFRS)	Equity-settled Share-based Payments with Net Settlement Features: Accounting for Cash Compensation
ASCG IG 5 (GAS)	Consolidated Non-Financial Statement in accordance with ESRS

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

COLLABORATION WITH EFRAG

At European level, EFRAG in particular provides an excellent platform for us to contribute to the discussion on the development of corporate reporting. As a member organisation, the DRSC contributes to EFRAG's decisions at a technical level in the committees and, at the level of company law, as a governing body member.

In the financial reporting pillar, we are represented on EFRAG's Financial Reporting Board (EFRAG FR Board), which is the ultimate decision-making body, by our Vice-President Prof. Dr Sven Morich. DRSC Project Manager Dr Ilka Canitz was appointed to the German Country Liaison position in the Financial Reporting Technical Experts Group (EFRAG FR TEG) in June 2021. In this role, which is reserved for the major European standard-setters from Germany, France and Italy, we represent the general economic interest of German constituents.

We also maintain a close dialogue with the other German EFRAG FR TEG members.

Finally, we maintain close contact with Wolf Klinz, who was elected for a second term of office (beginning on 1 January 2026) as Chair of the EFRAG FR Board by the EFRAG General Assembly on 15 December 2025.



▲ Andreas Bödecker



▲▲ Carsten Beisheim
▲ Erika Bognár

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

In addition to directly participating in the EFRAG bodies, our own committees, particularly the Financial Reporting Technical Committee, also address the issues on the EFRAG FR Board and EFRAG FR TEG agendas. The Financial Reporting Technical Committee itself directly submits comment letters to EFRAG on more extensive consultations, such as broader-based draft comment letters to the IASB, endorsement advice letters to the European Commission and proactive consultation and position papers.

In the area of financial reporting, our collaboration with EFRAG in 2025 was dominated on the one hand by our involvement in the IASB's standard-setting activities. On the other, we commented on the endorsement advice letters for IFRS 18 *Presentation and Disclosure in Financial Statements* and IFRS 19 *Subsidiaries without Public Accountability: Disclosures*. Finally, we contributed to the EFRAG research project on statements of cash flows, which we report on in the following section.

Discussion Paper on Statements of Cash Flows

On 22 November 2024, EFRAG published a discussion paper *The Statement of Cash Flows – Objectives, Usages and Issues*, which identifies the perceived problems with statements of cash flows prepared in accordance with IAS 7, discusses potential solutions and therefore contributes to the IASB's 'Statement of Cash Flows and Related Matters' research project.

We discussed the discussion paper intensively in the Financial Reporting Technical Committee from November 2024 to May 2025, and submitted our [comment letter](#) to EFRAG on 14 July 2025. In our comments, we stress that statements of cash flows under IAS 7 are fundamentally functional and do not require any comprehensive revision. The IASB should therefore be encouraged to make modifications only where there are actual information gaps from the user's perspective.

The core arguments of our comment letter make it clear that full cohesiveness between the statement of cash flows and other primary financial statement components – particularly the statement of profit or loss – should not be pursued. The statement of cash flows should focus on actual changes in cash and cash equivalents, as the inclusion of cash flows from an agent or non-cash transactions would fundamentally alter its underlying function. In light of this, we advocate retaining the existing definitions of cash and cash equivalents.

We do not support the standardisation of metrics such as free cash flow, net debt or working capital, as proposed in the discussion paper, as a one-size-fits-all approach would not do justice to the different business models and financial structures of companies, and could lead to distorted or misleading comparisons. For free cash flow measures, we instead advocate an approach based on reconciliation to the nearest relevant cash flow subtotal, aligned with the management approach for management-defined performance measures under IFRS 18.

In addition, we advocate retaining both the direct and indirect methods for presenting cash flows from operating activities. We also recommend that the current requirements be retained for financial institutions, particularly in light of the significant practical implementation problems that would be associated with any abolition of the current provisions.

COOPERATION WITH THE IFRS FOUNDATION

Cooperation with the IFRS Foundation's committees and bodies was one of the mainstays of our work last year.

Regular contact with the IASB and its staff as well as the IFRS Interpretations Committee allows us to find out about and keep up-to-date on each other's activities, as well as current developments, trends and challenges.

We should also mention our active involvement in ASAF, the IASB's technical advisory body. We report on this in the next section.

The following pages also present the major IASB and IFRS Interpretations Committee projects that we followed closely last year through our deliberations in the Financial Reporting Technical Committee.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //



▲▲ Prof. Dr Kerstin Lopatta
▲ Gero Bothe

Membership of the ASAF

The DRSC has been a member of the Accounting Standards Advisory Forum (ASAF), the key advisory body to the IASB, since 2022 (after a break of almost four years), allowing us to contribute practical experience from the German perspective to the process of developing IFRSs. The current term of office runs until December 2027. Vice-President Prof. Dr Sven Morich represents the DRSC in this body.

The ASAF meets four times a year. In its one- or two-day meetings, the ASAF addresses specific issues in connection with the IASB's work plan, but it may also discuss other issues that have major implications for the IASB's work.

For us, the ASAF is an important platform for entering into a multilateral exchange of views, not only with the IASB, but also with the other national and regional standard-setting organisations. In the run-up to each ASAF meeting, we discuss all agenda items in the Financial Reporting Technical Committee to arrive at a uniform DRSC position on the questions raised in the ASAF meeting documents.

Post-implementation Review of IFRS 16 Leases

As part of its post-implementation review of IFRS 16 Leases, the IASB published a [Request for Information](#) on 17 June 2025. We participated in this consultation and submitted our [comments](#) to the IASB

on 14 October 2025. Among other things, the comment letter draws on feedback from an outreach event that we held jointly with the IASB, EFRAG and standard-setters from Austria and Switzerland.

Our overall assessment of the standard is positive. In our view, the substance of the requirements is clearer than in the predecessor standard, IAS 17. In addition, the single accounting model represents an improvement for lessees. Although implementing the standard was very challenging, the effort involved in compiling an inventory of all rental and leasing agreements has resulted in a better overview of the existing agreements within a group.

Our main criticism is that the IASB underestimated the ongoing costs of applying the standard. These costs are significantly higher than initially expected, for example due to the need to maintain the leasing tool used and necessary adjustments for large leasing portfolios. The IASB should therefore base its future standard-setting activities on the expectation of higher ongoing costs.

To reduce these costs, we proposed raising the threshold for leases of low-value assets and amending the wording of IFRS 16.26 to allow the use of the incremental borrowing rate as the default method for discounting lease payments.

In summary, we concluded that, after initial challenges, preparers have developed accounting policies and processes for the key issues that are working well in practice. We therefore see no need for fundamental changes to IFRS 16.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

Interpretations and Maintenance

The interpretation and maintenance activities of the IFRS Interpretations Committee (IFRS IC) involve discussing and responding to submitted application questions about IFRS accounting standards. In addition, the IASB itself identifies and discusses issues for which it emerges that an amendment or clarification of the standard is required.

As in previous years, in 2025 we addressed, assessed and, in some cases, commented on the discussions at all meetings of the IFRS IC.

The IFRS IC issued seven agenda decisions on a variety of issues or standards last year. These related to [accounting for guarantee contracts](#) (various IFRSs), [recognition of revenue from tuition fees](#) (IFRS 15), [assessing hyperinflation](#) (IAS 29), [presentation of margin payments](#) (IAS 7), details on [accounting for transaction costs](#) and on the [bifurcation of embedded derivatives](#) (both IFRS 9) and, again, specific questions relating to the accounting for climate-related commitments, in this case on the [capitalisation of research expenditure](#) (IAS 38). In all of these cases, the IFRS IC clarified and explained in detail that (and why) the existing relevant IFRS requirements are sufficient to answer the relevant question with adequate clarity. The IFRS IC also addressed several [earlier agenda decisions on IAS 1](#). As IFRS 18 will soon be required to be

applied and will supersede IAS 1, some of these agenda decisions have been adapted to IFRS 18, while others have been withdrawn. In addition, many questions regarding IFRS 18 are currently pending with the IFRS IC for clarification. We discussed some of these issues in detail with preparers in Germany before they were addressed by the IFRS IC, and pointed out how urgent they were.

We need to mention again that the IFRS IC's agenda decisions should be regularly tracked and reviewed by reporting entities to determine whether their own financial reporting corresponds with the IFRS IC's view. If this is not the case, entities should ascertain whether their differing approach is justified or needs to be modified.

We would also like to report that only a small number of narrow-scope standard amendments were finalised and published by the IASB in 2025. These were [amendments to IAS 21 relating to translation to a hyperinflationary presentation currency](#) and [additions to illustrative examples in several standards](#), illustrating how uncertainties should be disclosed in the financial statements. The texts of these finalised changes are not publicly available free of charge, but we have provided detailed information on our [DRSC project pages](#).

We were involved in the IASB's consultation on both of these topics and – following in-depth discussion – we submitted our findings to the IASB in the form of comment letters. Additionally, we were also able to track the work on IFRS amendments closely through our membership of EFRAG committees and our membership of ASAF.

Finally, it should be mentioned in the context of IFRS maintenance projects that the IASB is currently working on several amendment projects, some of which have been in progress for many years, including

- improvements to [the distinction between equity and liabilities under IAS 32](#) (ED/2023/5),
- [amendments to IFRS 3 and IAS 36](#) relating to disclosures and impairment in the context of business combinations (ED/2024/1);
- [updates to IAS 28](#) to clarify details relating to the application of the equity method (ED/2024/7), and finally
- [targeted improvements to IAS 37](#) to eliminate uncertainties and differences in the recognition and measurement of provisions and, at the same time, to harmonise IAS 37 with certain amendments to the IFRS Conceptual Framework (ED/2024/8).

We also regularly monitor these topics so that, when necessary – including outside of comment periods – we can gather opinions from our technical committees, preparer forums and, in some cases, the broader public, and then present the resulting findings to the international standard-setter. As in the past, we will continue to monitor and closely follow future developments.

Forewords //

- I. Financial Reporting //
- II. Sustainability Reporting //
- III. Overarching Corporate Reporting Issues //
- IV. Spotlight on Members //
- V. Financial Information //
- VI. Governing Bodies and Standing Committees //



▲▲ Georg Lanfermann
▲ Dr Kati Beiersdorf



▲ Prof. Dr Christian Fink

COLLABORATION WITH OTHER STANDARD-SETTERS

World Standard Setters Conference

The World Standard Setters (WSS) Conference is the largest meeting of national standard-setters and regional organisations tasked with accounting-related issues. The WSS Conference is organised once a year by the IFRS Foundation, which sets the agenda for the event. The DRSC was again represented by its Executive Committee at this event in 2025.

Alongside the presentation of the current status of and progress made on the IASB and ISSB work programmes, several break-out sessions were held over the two days to discuss both financial reporting (consistent application of IFRS financial reporting standards, update on the financial instruments projects) and sustainability reporting topics (SASB standards, ISSB research projects, disclosures about climate-related transition plans). There were also two other panel discussions: on the implementation of IFRS 18 and on the significance of IFRS 19 and the IFRS for SMEs for global reporting.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

International Forum of Accounting Standard Setters

The International Forum of Accounting Standard Setters (IFASS) is an informal global network of national standard-setters and other organisations that are closely involved in financial reporting issues. Unlike the WSS Conference, Forum meetings are organised on the initiative of the national standard-setters.

The first meeting of last year in March 2025 took place in Naples, and the second, as usual, in September, following the WSS meeting in London. The DRSC was represented at both meetings and actively contributed the German perspective to the discussions on both blocks – sustainability and financial reporting. At the plenary session on the WICI initiative for strategic intangible assets, DRSC President Georg Lanfermann provided insights into the work of the German standard-setter on the topic of 'Intangible Assets'.

Other platforms

In addition to the above meetings on a global level, we also regularly raise current topics and viewpoints in various rounds of discussions held with other standard-setters, either on a regular basis or as required. These include the Consultative Forum of Standard Setters (CFSS), at which the positions to be put forward by EFRAG at the ASAF are prepared and agreed

We also maintain regular direct contact with selected standard-setters with which we are able to address and explore confidential matters in private meetings. We jointly discussed the following topics in 2025, among others: IASB post-implementation review process, operating segments, boundaries of financial reporting, intangible assets.



▲▲ Dr Ilka Canitz
▲ Cedric von Osterroht

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

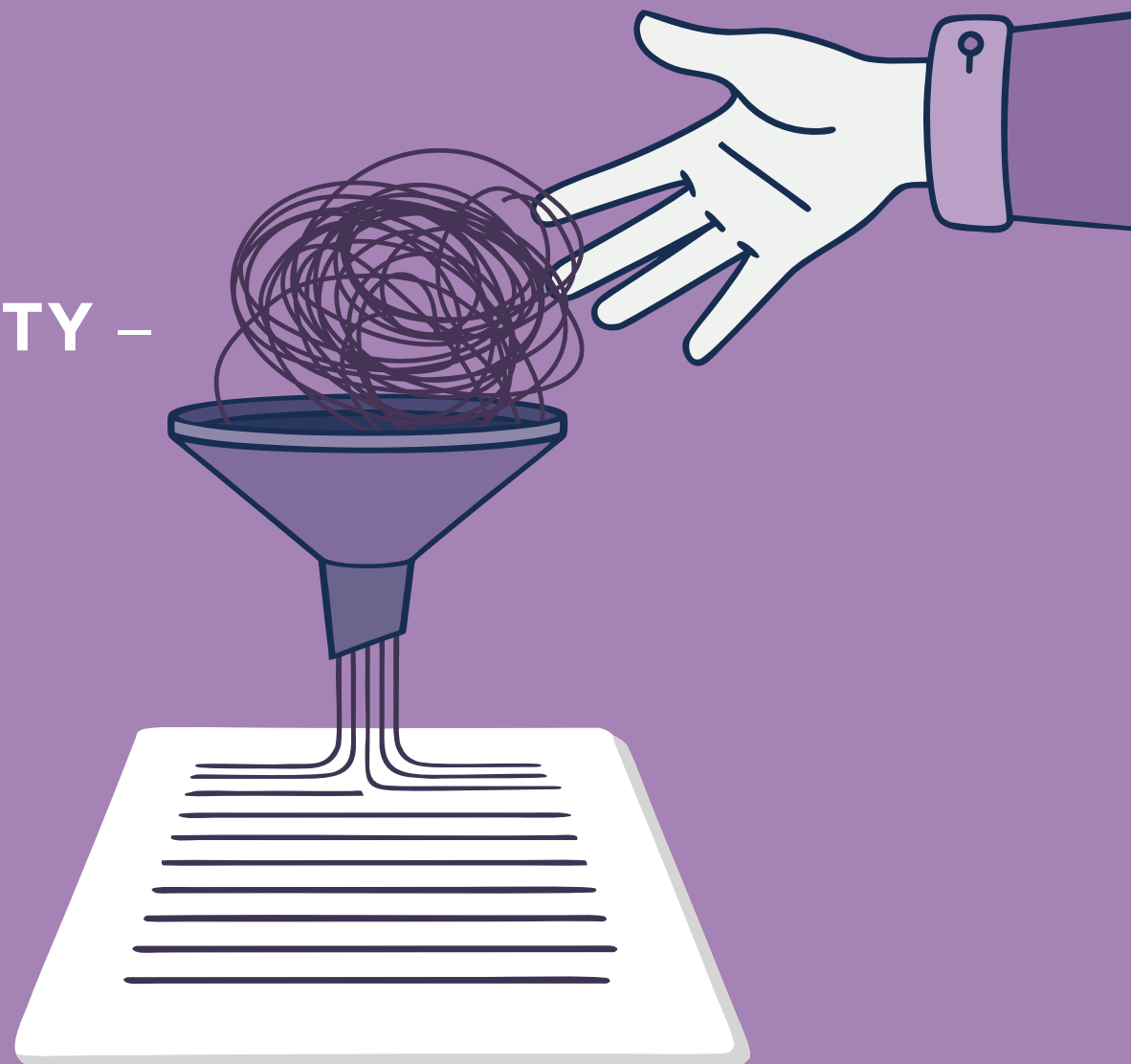
COMMENTS AND OTHER PUBLICATIONS

Publication Date	Subject
I. Participation in other consultations	
20/01/2025	IASB: IASB/ED/2024/7 Equity Method of Accounting - IAS 28 Investments in Associates and Joint Ventures (revised 202x)
31/01/2025	BMF: Second Discussion Draft on an Act adjusting the Minimum Tax Act and other measures (Minimum Tax Amendment Act – MinStAnpG) (in German only)
12/03/2025	IASB: IASB/ED/2024/8 Provisions–Targeted Improvements (Proposed amendments to IAS 37)
24/03/2025	IFRS Foundation: Proposed amendments to the IFRS Foundation Due Process Handbook
26/03/2025	EFRAG: Draft Letter to the European Commission Regarding Endorsement of IFRS 18 Presentation and Disclosure in Financial Statements
14/07/2025	EFRAG: Discussion paper The Statement of Cash Flows – Objectives, Usages and Issues
30/07/2025	EFRAG: Draft Letter to the European Commission Regarding Endorsement of IFRS 19 Subsidiaries without Public Accountability: Disclosures
13/08/2025	BMF: Ministerial Draft on an Act adjusting the Minimum Tax Act and other measures (Minimum Tax Amendment Act – MinStAnpG) (in German only)
06/10/2025	IFRS IC: IFRS Interpretations Committee’s tentative agenda decisions in its June 2025 meeting
14/10/2025	IASB: Post-Implementation Review of IFRS 16
30/10/2025	Finance Committee of the German Bundestag: Federal government draft on an Act adjusting the Minimum Tax Act and implementing other measures (Minimum Tax Amendment Act – MinStAnpG) (in German only)
25/11/2025	IFRS IC: IFRS Interpretations Committee’s tentative agenda decisions in its September 2025 meeting

Publication Date	Subject
II. DRSC's own consultations/projects	
28/01/2025	Draft Implementation Guidance on DRS 20 Consolidated Non-Financial Statement in accordance with ERS (in German only)
28/02/2025	Study on the evaluation of the application of IFRSs in Germany: English version of the summary report on the responses to the company survey within Phase 2
10/03/2025	Near final draft ASCG Implementation Guidance on DRS 20 Consolidated Non-Financial Statement in accordance with ERS (in German only)
04/03/2025	Study on the evaluation of the application of IFRSs in Germany: Final report on the feedback from the company survey conducted in phase 2 of the DRSC study (in German only)
30/09/2025	Study on the evaluation of the application of IFRSs in Germany: Report on a case study of a potential application of IFRS at subsidiaries (in German only)
05/11/2025	Study on the evaluation of the application of IFRSs in Germany: Position Paper on conditional option to apply IFRSs in separate financial statements (in German only)
13/11/2025	Draft ASCG Interpretation (IFRS) No. 5 Accounting for Interest and Penalties Related to Income Taxes under IFRSs (D-ASCG Interpretation 5) (in German only)
III. Other publications	
17/02/2025	Position Paper of the DRSC ‘Tax’ working group: Accounting for allocations/refunds in accordance with section 3(6) of the MinStG in German GAAP (subgroup) consolidated financial statements (in German only)
12/09/2025	DRSC Briefing Paper: Revision of Foreign Private Issuer Status in the USA (in German only)

REVISION OF ESRS SET 1

**WE REDUCE COMPLEXITY –
SO THAT ONLY
WHAT REALLY MATTERS
GETS THROUGH**



The DRSC has played a key role in driving forward the revision of ESRS at EFRAG. At an early stage – even before the European Commission officially mandated EFRAG to revise ESRS Set 1 – the DRSC advocated for a review of the standards, with the aim of reducing complexity and strengthening the principle-based approach. The DRSC submitted a position paper containing specific proposals for the revision shortly after the mandate was issued.

In the months that followed, the DRSC worked tirelessly to discuss the status of deliberations and EFRAG drafts in its committees, with the German professional community and in collaboration with other major national standard-setters, and to incorporate these discussions into EFRAG’s work. This close, ongoing collaboration played a decisive role in ensuring that many key aspects of the ESRS simplification were successfully implemented in the EFRAG process.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

II. Sustainability Reporting

We have been actively involved in the development of consistent reporting standards in the area of sustainability reporting since 2021. One focus is on the DRSC's involvement in EFRAG's European standard-setting activities. Equally, we support the internationally focused standard-setting projects of the ISSB with regard to their application in Germany.

Our involvement in standard-setting takes many forms. This includes sending representatives to EFRAG committees, supporting German members in international committees and working groups, issuing comment letters on draft standards, and participating in various cooperation projects. DRSC President Georg Lanfermann has been Vice-President of the EFRAG Administrative Board since February 2022. Prof. Dr Kerstin Lopatta, a member of the Sustainability Reporting Technical Committee, is Acting Chair of the EFRAG SR Board. Dr Kati Beiersdorf, a DRSC Technical Director, represents the DRSC on the EFRAG SR TEG. We also maintain a close dialogue with other German representatives on the EFRAG and ISSB committees and working groups.

Since 2023, we have operated a liaison hub in Frankfurt with the ISSB in cooperation with Goethe University. The goal of this collaboration is to gain scholarly evidence for standardisation. It focuses on sustainability reporting, its harmonisation and connectivity with financial reporting.

We are also actively involved in the discussions on the legislative basis for sustainability reporting and support the BMJV in accordance with the contract formally acknowledging the DRSC's role under section 342g of the HGB.

The Sustainability Reporting Technical Committee is responsible for addressing the topics and issues relating to sustainability reporting.

We report in detail on the key developments and our activities in this dynamic thematic area in the following sections of this chapter.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

COLLABORATION WITH NATIONAL INSTITUTIONS

Cooperation between the DRSC and the RNE

We are delighted that, since its inception in September 2022, we can look back on another year of successful cooperation with the German Council for Sustainable Development (RNE). In 2025, the DRSC and RNE continued to meet approximately every month in their joint pilot group to discuss the specific perspective of sustainability reporting for SMEs. Members of the pilot group discussed the further development of the VSME developed by EFRAG and, for the first time, practical application issues. We contributed the results to the European discussion as observers of the EFRAG SME Forum and through the EFRAG committees.

The pilot group is composed of experienced representatives from SMEs and various stakeholder groups involved in SME sustainability reporting. Members of our Sustainability Reporting Technical Committee are also represented, in the shape of Carsten Beisheim, Prof Dr Christian Fink and Noura Rhemouga. We would also like to express our sincere thanks to the other members of the pilot group, the chair Prof. Alexander Bassen, University of Hamburg, and in particular Stephanie Kopp (RNE) for their trust and cooperation.



▲▲ Susanne Visbeck



▲ Prof. Dr Carsten Theile



▲ Dr Klaus Hufschlag, Chair of the DRSC's 'Climate Reporting' working group

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

Cooperation between the DRSC and XBRL Germany

In the 'Digital Sustainability Reporting' working group, the DRSC and XBRL Germany pool their expertise in the field of sustainability reporting and digital transformation. The working group's objective is to monitor and assess current legislative and standardisation projects.

The working group's members include representatives of reporting companies, auditors, software providers and users of digital sustainability reports. Approximately 20 of our member companies are represented in the working group. The meetings of the working group are not public.

In 2025, the working group held a total of six meetings, which dealt with the [ESMA consultation](#) on amending the Regulatory Technical Standards on the ESEF and the [government draft](#) of the Act Transposing the CSRD into German Law.

Sustainability Reporting Practice under CSRD/ESRS – Deloitte/DRSC study

Working with Deloitte, we conducted an empirical study last year on CSRD/ESRS sustainability reporting practices for the 2024 reporting period. The study looked at the reporting practices of companies

listed in the DAX, MDAX and SDAX indices. Specifically, we examined whether, in what form and with what content these companies published sustainability-related information within the meaning of the EU Accounting Directive (in the CSRD version) or ESRS.

Our work on this took place between February and November 2025. We presented the final report in a public webinar on 25 November. The approximately 250 participants learned about the key findings on overarching and formal aspects as well as selected detailed topics. These included how to deal with gross and net approaches, transition plans for climate change mitigation, the circular economy and the gender pay gap. The detailed final report was subsequently published on the websites of both cooperation partners.

We reported regularly on the interim results of the study. In March 2024, for example, we published the [first interim report](#) with selected findings, followed by a total of three further updates by the beginning of June 2025 (see [DRSC website](#)). We also conducted similar studies for the [automotive](#), [utilities](#) and [chemicals industries](#) in a European comparison and published the results as industry benchmarks between June and August 2025.

COLLABORATION WITH EUROPEAN INSTITUTIONS

Webinar: “ESRS as a Framework for a Non-financial Statement”

It became apparent towards the end of 2024 that the CSRD would not be transposed into German law, at least in 2024. This raised various questions by practitioners (see also the discussion on Implementation Guidance No. 5 in Chapter III). To address the question of whether and to what extent the statutory requirements for a non-financial statement are met by preparing a sustainability report in full compliance with ESRS, we published a briefing paper “[ESRS as a Framework for a Non-financial Statement](#)” (available in German only) in December 2024. We presented this briefing paper at a public virtual information event on 8 January 2025. The more than 300 participants gained a concise [overview](#) of the briefing paper and were able to learn more about the details and to exchange ideas with other participants during an extensive question and answer session.

Revision of ESRS Set 1

ESRS Set 1 was issued by the European Commission as a delegated act in December 2023 and was therefore applicable for the first time to many European companies for financial year 2024, depending on the transposition of the CSRD in the Member States. However, the European Commission's Omnibus Initiative meant that changes

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

to these ESRS were already in the pipeline at the end of 2024, as announced, for example, in the Budapest Declaration by European heads of state and government in November 2024.

As the DRSC, we have been actively involved in this discussion about necessary changes to ESRS from the outset. On 31 January 2025, we submitted [proposals](#) for simplifying EU sustainability reporting requirements, calling for a review of ESRS Set 1 with a view to reducing complexity, strengthening the principle-based approach, making the rules less granular and focusing more closely on the specific interests of users. The conclusion that ESRS Set 1 needed to be reviewed was demonstrated not least by the findings from the initial application of ESRS (see the comments on the [Deloitte/DRSC study](#) in Chapter II of this Annual Report). These indicated excessively detailed sustainability reports that were also a result of the complex and granular requirements of ESRS Set 1.

On 26 February 2025, the European Commission published its proposals in the ‘Omnibus I’ package (see Chapter III of this Annual Report and our [briefing paper](#) dated 6 March 2025), addressing the necessary revision of ESRS Set 1 with the aim of significantly reducing the number of data points, in addition to changes to the number of companies subject to reporting requirements of the ESRS and postponements of the initial application dates.

EFRAG was [mandated](#) with the revision of the ESRS Set 1 by the European Commission on 27 March 2025 and was expected to submit its proposals for simplified ESRS by 31 October 2025. This deadline was [later](#) extended by the Commission to 30 November 2025. Nevertheless, this still gave EFRAG a very tight time frame. In light of this, it was important for all stakeholders involved, including ourselves as the German standard-setter, to put all our efforts into the revision and provide EFRAG with the best possible support.

In the following months, we contributed our expertise from the DRSC’s Sustainability Reporting Technical Committee and from dialogue with other stakeholders, as well as insights gained from the initial application of ESRS in Germany, not least in the context of our work in the EFRAG committees (SR Board and SR TEG, see comments on the ESRS Preparer Forum in Chapter IV). In particular, we provided detailed information on the European Commission’s proposals and the related EFRAG work, discussed the views and proposed amendments in our Technical Committee, and contributed the results to the European process.

We held a public information event on 14 March 2025 to share information on the contents of the Omnibus I package. As early as 15 April 2025, we submitted a [position paper](#) to EFRAG to describe the direction that the DRSC believes the revision should take, based on ten fundamental propositions. These included, for example, emphasising the principle of fair presentation and taking the management approach into account, improvements to the materiality assessment requirements, greater consideration of estimates,

simplifications in the presentation of anticipated financial effects (AFE), and strengthening interoperability with the ISSB’s global baseline. Many of these points were incorporated into the revised ESRS, or at least discussed in detail.

In addition, in our letters dated [3 June 2025](#) and [18 June 2025](#) to EFRAG, we commented on what we considered to be important aspects of the EFRAG discussions, pointing out, for example, that we took a critical view of data points going beyond ESRS Set 1 and continuing conceptual ambiguities, and highlighting the need for and advantages of reporting on the basis of estimates. In addition, in our letter dated [20 July 2025](#), we again emphasised that new data points in the revised ESRS would threaten their acceptance.

On 31 July 2025, EFRAG published its proposals for the revised ESRS Set 1 and set a comment deadline of 29 September 2025. This meant that EFRAG had passed on to European stakeholders in full the extension of the consultation period granted to it by the European Commission. Nevertheless, only a few weeks remained to deal with the extensive proposed amendments. In addition to reductions in data points and structural streamlining, these amendments also included conceptual clarifications and modifications that were also called for by the DRSC. These included, for example, a stronger emphasis on the principle of fair presentation, simplifications to the materiality assessment requirements, and clarification of conceptual issues relating to the identification of significant potential impacts (gross vs net).

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //



▲▲ Peter Thilo Hasler

▲ Tanja Castor

In light of the tight schedule, it was important to the DRSC to provide all stakeholders with an initial analysis of the proposals published by EFRAG for the revised ESRS as quickly as possible, thereby enabling the widespread dissemination of these proposals and the DRSC's initial assessments and, in particular, further comprehensive consideration by companies, auditors and other stakeholders. We published this initial [analysis of the proposals](#) on 18 August 2025. On 18 September 2025, we held a [public discussion event](#) together with EFRAG, which was attended by over 250 participants. We then published our [final analysis](#) of the drafts on 25 September 2025 (before the end of the comment period), enabling us to provide input also to the discussions and considerations of other stakeholders. We submitted our [final comment letter](#), including a detailed analysis of all twelve ESRS, to EFRAG on 29 September 2025.

During this period, we were also in close coordination with the other national standard-setters (NSS) from France, Italy and Spain. Through regular dialogue on the positions of the NSS on necessary changes to ESRS, we were able to send EFRAG a [position paper](#) prepared jointly by the staff of these standard-setters on 29 May 2025, containing aspects of ESRS simplification that are important to all four of these NSS.

We would like to express our sincere thanks to the members of the ad hoc group, who contributed their expertise in reporting and auditing and provided valuable analyses at various time-critical stages of the ESRS revision, thereby enabling the Sustainability Reporting Technical Committee and DRSC staff to thoroughly review the proposals and comment on them.

The first phase of the revision was completed with the submission of [EFRAG's Technical Advice on simplified ESRS](#) on 3 December 2025. This is being followed by the consideration of these proposals by the European Commission. In addition to a survey of Member States, which was initiated in December 2025, there will be a one-month public consultation, expected to take place in Q2/2026. We have already responded to the BMJV's request of 19 December 2025 addressed to all associations and submitted our [comment letter](#) to the BMJV on 16 January 2026, outlining the changes we believe are still necessary. These relate in particular to reporting requirements that go beyond ESRS Set 1 (2023), that require further clarification or that go beyond EFRAG's mandate. Publication of the delegated act is planned for summer 2026.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

EFRAG standards for sustainability reporting by small and medium-sized enterprises

Following the delivery of its technical advice on sustainability reporting for SMEs (VSME) to the European Commission in December 2024, EFRAG began [developing an ecosystem to support the introduction of the VSME](#) in Europe. Part of this ecosystem is the [SME Forum](#), which is designed to facilitate exchange between initiatives, raise awareness of the VSME, disseminate best practices, support market acceptance and identify relevant (digital) platforms and tools. The Forum consists of associations of preparers, users, auditors and rating agencies, as well as platforms based on the VSME. The DRSC is part of this SME Forum as an observer.

In early 2025, EFRAG began developing additional guidance (Supporting Guides) on the VSME as part of the VSME ecosystem. These guides relate to VSME disclosures C2 (description of practices, policies and future initiatives for transitioning towards a more sustainable economy), C3 (GHG reduction targets and climate transition) and C7 (severe negative human rights incidents). The drafts of these Supporting Guides were shared with us and the entire SME Forum in June 2025 as part of EFRAG's [second SME Forum](#) and were exposed for consultation. We participated in both this targeted consultation on the initial drafts and the consultation

on the revised drafts, which were presented publicly at the [joint EFRAG SR Board & SR TEG meeting](#) on 9 October 2025. EFRAG published the [final Supporting Guides](#) on 11 December 2025 and presented them to the public at the [third SME Forum](#).

At the same time, we have been holding discussions with various stakeholders since October 2025 to gather their views on the [voluntary standard for sustainability reporting](#) (VSME) recommended by the European Commission. These discussions will continue until the end of January 2026. The aim of the discussions is to identify any adjustments that may be necessary for the Commission to finalise the VSME (delegated act), which is expected in mid-2026. The results will also be discussed with EFRAG so that they can be incorporated into the further development of the VSME ecosystem, among other things.

German translation of ESRS/VSME

The DRSC and the Austrian standard-setter ([AFRAC](#)) continued their joint project work to translate ESRS and the VSME in 2025. The project group's work on a thesaurus of English-German terminology for ESRS Set 1 is almost complete, following consultation on the terms used in the E-standards and in ESRS S1 and G1. We will publish a compilation of all identified terms in a joint document in spring 2026.

Following the [submission of the VSME by EFRAG to the European Commission](#) on 17 December 2024, the project group prepared an informal translation of the first 65 paragraphs and sent it to EFRAG. During the translation work on the VSME, it became apparent that some English formulations in VSME needed to be worded more precisely to make them easier to understand. Based on these findings, together with AFRAC we sent a [letter](#) to the European Commission on 21 March 2025, drawing attention to these unclear formulations.

EFRAG also revised its VSME Digital Template following the adoption of a [recommendation on VSME](#) by the European Commission on 30 July 2025. The Excel-based digital template enables VSME users to enter their data, calculate it automatically and verify its consistency. EFRAG relied on the support of the DRSC/AFRAC project group to prepare the German language version. EFRAG published the [VSME Digital Template](#) in German on 27 November 2025.

COLLABORATION WITH INTERNATIONAL INSTITUTIONS

2025 Sustainability Standards Conference: Momentum for the further development of sustainability reporting

Following in the footsteps of the 2024 conference, the 2025 Sustainability Standards Conference continued the expert discussion on sustainability reporting and provided a platform for dialogue

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

between regulators, academia and practitioners. The second Sustainability Standards Conference was held at Goethe University in Frankfurt am Main on 21 and 22 July 2025. Experts analysed current developments and challenges and discussed the practical implementation of the ISSB's global baseline and disclosure trends relating to biodiversity and human capital.

The two-day programme was divided into the areas of regulation, research and practice. On day one, the discussion focused on regulatory developments and the design of a unified global framework for sustainability reporting. On the second day, researchers presented four research projects on biodiversity and human capital, which were explored in depth and discussed critically in breakout groups. The event rounded off with a panel discussion that examined the transferability of the findings into practice. A get-together on the evening of the first day provided an opportunity for in-depth professional discussion and networking.

The conference is jointly organised each year by the ISSB, the DRSC, Goethe University Frankfurt and the Leibniz Institute for Financial Research SAFE, together with support from the House of Finance and Deutsche Börse Group. It seeks to support the ISSB's standard-setting activities by promoting professional discourse on their implementation and further development.

The third Sustainability Standards Conference has already been announced for 18 May 2026, and it will continue the professional dialogue on global sustainability standards.



▲ Birgit Weisschuh



▲▲ Dr Thomas Schmotz
▲ Prof. Dr Sven Morich

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

Hamburg Sustainability Reporting Forum 2025: Interdisciplinary dialogue in cooperation with the University of Hamburg

On 20 and 21 November 2025, around 150 experts from politics, practice and academia met at the second Hamburg Forum on Sustainability Reporting. The event was organised in close cooperation between the DRSC and the University of Hamburg, and with support from the Sustainable Finance Research Group. This cooperation enabled scientific expertise, research findings and practical perspectives to be pooled and incorporated into the discussions. The theme of the Forum was ‘Now more than ever: Greater transformation through simplified regulation’, and it offered a platform to jointly analyse current developments in sustainability reporting.

Day one at the *Chilehaus* began with introductory presentations on transparency, climate strategies and the modernisation of reporting standards. This was followed by a practice-driven dialogue focusing on carbon-neutrality, global supply chains, climate-related data and the practical implementation of sustainability measures. The day ended with a joint reception and musical entertainment.

On day two, held at the State and University Library Hamburg, representatives from the European Commission, the BMJV and the BMF provided insights into current legislative and regulatory projects. Participants discussed the revision of the CSRD and ESRS,

as well as the status of national implementation, in several panels. Other key topics included the interlinking of regulatory measures, the connection between digital transformation and sustainability, and opportunities for small and medium-sized enterprises.

The Forum provided a platform for lively discussions, the exchange of different perspectives and critical reflection on current developments. The cooperation between academia, practice and regulation highlighted the importance of expert dialogue for the further development of sustainability reporting, and how synergies between research and practice can be leveraged.

The Forum is set to return on 26 and 27 November 2026 to further deepen expert dialogue, provide new impetus and share further insights into ESRS applications.

Revision of the SASB standards

On 3 July 2025, the ISSB published the [exposure draft](#) *Proposed Amendments to the SASB Standards*. The revision of the SASB standards forms part of the ISSB’s 2024–2026 work plan and is intended to support companies in applying IFRS S1 and IFRS S2. As a first step, the SASB standards for all eight industries in the Extractives sector (*Coal Operations, Construction Materials, Iron & Steel Producers, Metals & Mining and four standards for Oil & Gas*) as well as the

industry standard *Processed Foods* will be revised. At the same time, a second [exposure draft](#) *Proposed Amendments to the Industry-based Guidance on Implementing IFRS S2* was exposed for consultation by the ISSB. These proposed amendments are designed to ensure alignment with the climate-related disclosures in the revised SASB standards.

We have been closely involved in the revision of the SASB standards from the start. In addition to ongoing discussions in our technical committees, we organised four outreach events with representatives from the affected industries in September 2025. On 23 October 2025, we also held a public discussion event on the revision of the SASB standards in cooperation with the ISSB.

We submitted our [comment letter](#) on the exposure draft *Proposed Amendments to the SASB Standards* to the ISSB on 29 November 2025, in which we welcome the proposed amendments in principle. However, among other things, we drew attention to the need for comprehensive alignment with the (revised) ESRS and to greater consideration of established industry-specific reporting initiatives to ensure the proportionality of the reporting requirements anchored in the SASB standards and to improve cost-effectiveness for preparers. At the same time, we also submitted our [comments](#) on the exposure draft *Industry-based Guidance on Implementing IFRS S2*.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //



▲▲ Noura Rhemouga

▲ Dr Lothar Rieth

Amendments to IFRS S2/Interoperability of ESRS and IFRS Sustainability Disclosure Standards

On 28 April last year, the ISSB published the [exposure draft](#) *Amendments to Greenhouse Gas Emissions Disclosures – Proposed amendments to IFRS S2* for consultation. After the Sustainability Reporting Technical Committee had discussed this exposure draft in May and developed its preliminary position, we presented the draft and the Sustainability Reporting Technical Committee’s preliminary views at a public [discussion event](#) on 13 June. On behalf of the IFRS Foundation, ISSB member Veronika Pountcheva participated in the discussion and outlined the ISSB’s proposals. The event also marked the continuation of the public dialogue between representatives of practitioners and other stakeholders on the interoperability of ESRS and IFRS Sustainability Disclosure Standards. Representatives from BASF and DHL shared their experiences from the first reporting season.

We submitted our [comment letter](#) on exposure draft to the ISSB on 19 June. In this comment letter, we largely support the simplification proposals contained in the draft. However, we do see problems with the option to allow different measurement methods for reporting greenhouse gas emissions.

The ISSB published the [final amendments to IFRS S2](#) on 11 December 2025 after reviewing and discussing the comments received. These amendments clarify and simplify the reporting of greenhouse gas emissions. For example, the disclosure of Scope 3 greenhouse gas emissions, category 15, may be limited in future to financed emissions in accordance with IFRS S2.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

COMMENTS AND OTHER PUBLICATIONS

Publication date	Topic
I. Participation in other consultations	
21/03/2025	European Commission: Joint letter from the DRSC and AFRAC on the German translation of the VSME
21/03/2025	European Commission: Joint comments by the DRSC and AFRAC on the informal German translation of the first 65 paragraphs of the VSME
25/03/2025	European Commission: Consultation on a Delegated Act on the Taxonomy Regulation
15/04/2025	EFRAG: First DRSC Position Paper on the revision of ESRS Set 1
29/05/2025	EFRAG: Joint working paper of the DRSC and the French, Italian and Spanish standard-setters on the revision of ESRS Set 1
03/06/2025	EFRAG: Second DRSC Position Paper on the revision of ESRS Set 1
18/06/2025	EFRAG: Third DRSC Position Paper on the revision of ESRS Set 1
19/06/2025	ISSB: ISSB/ED/2025/1 Amendments to Greenhouse Gas Emissions Disclosures, Proposed amendments to IFRS S2
20/07/2025	EFRAG: Fourth DRSC Position Paper on the revision of ESRS Set 1
29/09/2025	EFRAG's ESRS consultation drafts: Letter, Detailed feedback
17/10/2025	EFRAG: Letter with comments on aspects of the effective implementation of the fair presentation principle
11/11/2025	EFRAG: Letter with comments on the introduction of the new living wage concept in the revised ESRS S1
14/11/2025	EFRAG: Letter with preliminary comments on the first draft of ESRS Set 1

Publication date	Topic
I. Participation in other consultations	
29/11/2025	ISSB: Comment letter on the ISSB draft standard Proposed amendments to the SASB Standards
29/11/2025	ISSB: Comment letter on the ISSB draft standard Proposed Amendments to the Industry-based Guidance on Implementing IFRS S2
II. DRSC's own consultations	
12/11/2025	Consultation by the DRSC-AFRAC project group on translations of terminology in ESRS S1 and ESRS G1: List of unambiguous terminology in ESRS S1, List of unambiguous terminology in ESRS G1, List of terms in ESRS S1 that require clarification, List of terms in ESRS G1 that require clarification
III. Other publications	
06/01/2025	DRSC Briefing Paper: EU Regulation on deforestation and forest degradation (in German only)
08/01/2025	Presentation at DRSC public information event: ESRS as a Framework for a Non-financial Statement (in German only)
14/01/2025	DRSC/BDI brochure: Guidance on industry-specific preliminary considerations for the ESRS materiality assessment (in German only)
11/03/2025	DRSC/Deloitte study on CSRD/ESRS sustainability reporting practices: Preliminary results (in German only)
25/03/2025	DRSC/Deloitte study on CSRD/ESRS sustainability reporting practices: First update (in German only)

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

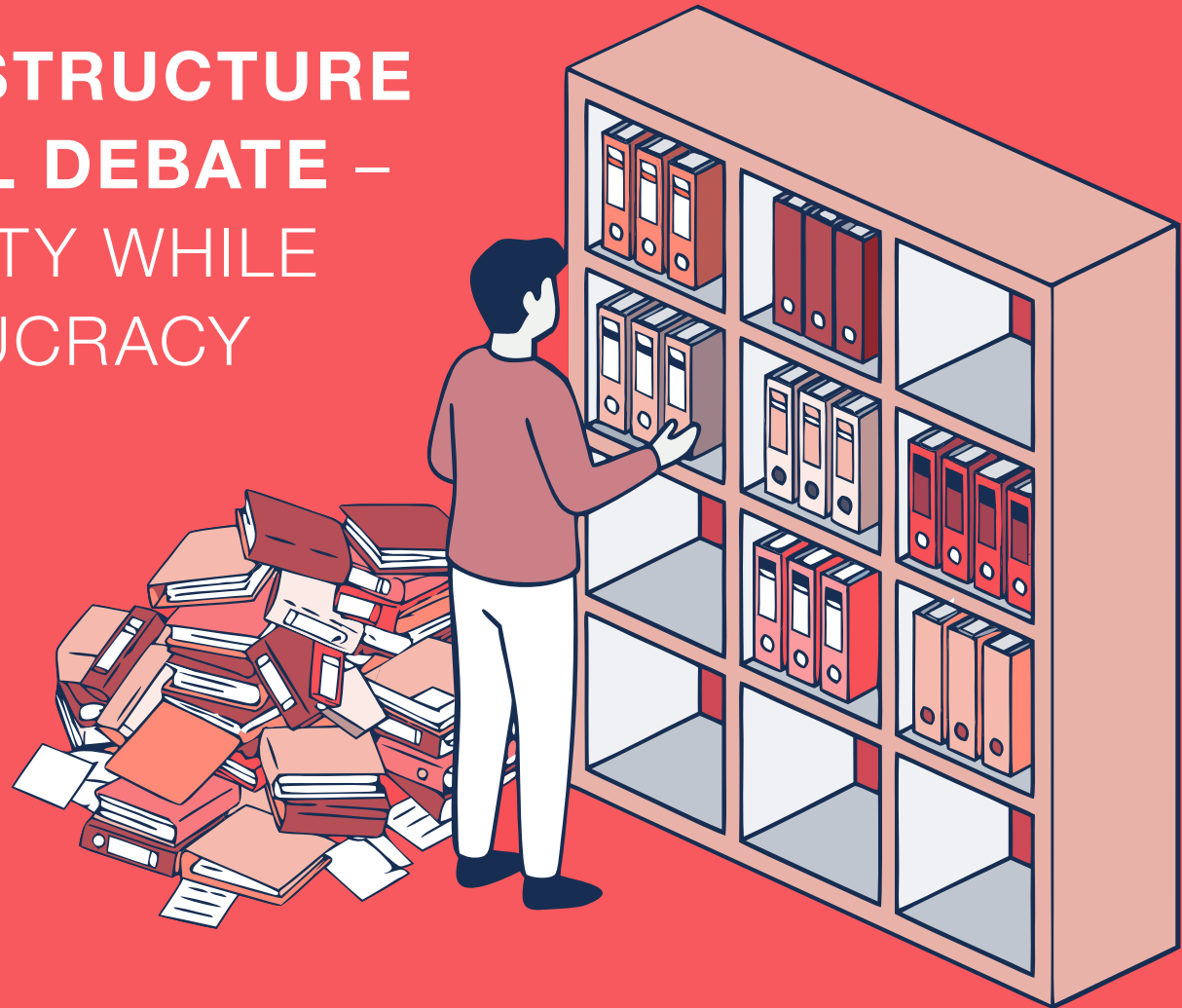
VI. Governing Bodies and Standing Committees //

Publication Date	Subject
III. Other publications	
12/05/2025	DRSC/EFRAG public discussion on the revision of ESRS Set 1: Presentation and report (in German only)
13/06/2025	DRSC public discussion in cooperation with the IFRS Foundation on ISSB draft IFRS S2 and on interoperability: Presentation (in German only)
08/04/2025	DRSC/Deloitte study on CSRD/ESRS sustainability reporting practices: Second update (in German only)
15/05/2025	DRSC/Deloitte study on CSRD/ESRS sustainability reporting practices: Third update (in German only)
25/06/2025	DRSC/Deloitte study on CSRD/ESRS sustainability reporting practices: Analysis of the automotive industry for financial year 2024 (in German only)
15/07/2025	DRSC/Deloitte study on CSRD/ESRS sustainability reporting practices: Analysis of the utilities sector for financial year 2024 (in German only)
18/08/2025	Preliminary DRSC analysis of the revised ESRS Set 1: Accompanying letter and Excel file (in German only)
29/08/2025	DRSC/Deloitte study on CSRD/ESRS sustainability reporting practices: Analysis of the chemicals industry for financial year 2024 (in German only)
18/09/2025	Public DRSC and EFRAG discussion on the revision of ESRS Set 1: DRSC presentation (in German only), German summary , English summary
25/09/2025	DRSC final analysis on the revised ESRS Set 1: Excel file
29/09/2025	DRSC brief survey on adjustments to sustainability reporting by DAX40 companies for financial year 2025: Results (in German only)

Publication Date	Subject
III. Other publications	
23/10/2025	DRSC/ISSB public discussion event on the revision of the SASB standards: Presentation (in German only)
31/10/2025	DRSC Briefing Paper (updated): EU Regulation on deforestation and forest degradation (in German only)
13/11/2025	DRSC Briefing Paper: Quick Fix Amendment to the ESRS Set 1 (in German only)
25/11/2025	DRSC/Deloitte study on CSRD/ESRS sustainability reporting practices: Final report (in German only)

OMNIBUS INITIATIVE

WE ARE ADDING STRUCTURE TO THE POLITICAL DEBATE – PROMOTING QUALITY WHILE REDUCING BUREAUCRACY



The DRSC took a very close look at the European Commission's Omnibus Initiative aimed at reducing reporting obligations. In a position paper, the DRSC set out five specific proposals for refining the CSRD as part of the planned simplification package. A detailed briefing paper analysed the proposals for simplifying sustainability reporting and provided companies, stakeholders and political decision-makers with an in-depth insight into the substance and potential implications of the Omnibus Initiative.

A practically oriented survey on the planned increase in the employee threshold provided empirical findings to inform the political debate on how to structure the threshold. Through numerous events and conferences, the DRSC kept the public informed and supported the political debate, particularly on the issue of reducing bureaucratic burdens.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

III. Overarching Corporate Reporting Issues

Some corporate reporting issues are overarching and are equally important for both financial reporting and sustainability reporting. The Joint Technical Committee, which is composed of the two technical committees – the Financial Reporting Committee and the Sustainability Reporting Technical Committee – is responsible for addressing these topics. We report on these topics on the following pages.

ASCG IMPLEMENTATION GUIDANCE 5 CONSOLIDATED NON-FINANCIAL STATEMENT IN ACCORDANCE WITH ESRS

The amendments to the Accounting Directive resulting from the CSRD had not been implemented in Germany by the end of 2024 (see the ‘CSRD transposition’ section in this chapter). This raised numerous questions, most of which we addressed in the *Reporting on Intangible Resources* (23 December 2024, in particular part 2) and *ESRS as a Framework for a Non-financial Statement* (18 December 2024) briefing papers. In addition, there was a need for clarification concerning the significance of the principles of proper management reporting (GAS 20 Group Management Report, paragraphs 12 to 35) set out in GAS 20 for a consolidated non-financial statement prepared in accordance with ESRS. Back in spring 2024, the DRSC’s Joint Technical Committee had already discussed the spill-over effect of the principles of proper management reporting in light of the amendments to GAS 20 required as a result of the transposition of the CSRD. Specifically, there was a need to clarify whether the ESRS standards for sustainability reporting always result in sustain-

ability reports also complying with the principles of proper management reporting, and vice versa. In light of the detailed, rule-based requirements of the ESRS, the Joint Technical Committee had concluded at the time that the ESRS contained a number of requirements that could not be fully inferred from the principles of proper management reporting.

Since the relevant provisions of the HGB continued to require the preparation of a non-financial statement as at the end of 2024 (as well as 2025), although numerous companies had already prepared for full-scope application of the ESRS, the following circular problem arose:

- (1) The principles of proper management reporting (GAS 20, paragraphs 12 to 35) are decisive for a consolidated non-financial statement.
- (2) However, the scope of the principles of proper management reporting does not cover the sustainability report in accordance with ESRS that will in future be a mandatory element of the group management report.
- (3) A consolidated non-financial statement prepared in accordance with ESRS is supposed to be prepared for financial year 2024. In turn, the principles of proper management reporting apply to consolidated non-financial statements.

To solve this problem, and to support practical application, we developed Implementation Guideline No. 5 for GAS 20 (IG 5). The consultation document was published at the end of January 2025 and was open for comments until the end of February 2025. The final ASCG Implementation Guidance 5 *Consolidated Non-financial Statement in Accordance with ESRS* was adopted on 11 March 2025.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. [Overarching Corporate Reporting Issues](#) //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

As the CSRD had still not been transposed into German law by the end of 2025, the situation was similar to that of the previous year. It was therefore decided to extend the timing of IG 5 by one year.

OMNIBUS I PACKAGE FROM THE EUROPEAN COMMISSION

We published [proposals](#) to simplify EU sustainability reporting requirements on 31 January 2025.

On 26 February 2025, the European Commission published the [Omnibus I package](#) with proposals for reducing red tape for companies. These proposals focus in particular on what is known as the [Substance Proposal](#) to amend the content of the Accounting Directive (Directive 2013/34/EU), the CSRD (Directive (EU) 2022/2464) and the CSDDD (Directive (EU) 2024/1760), as well as the Audit Directive (Directive 2006/43/EC). The objective of the Substance Proposal with regard to amendments to the CSRD is to achieve significant simplifications in the sustainability reporting requirements. On 6 March 2025, we published a [briefing paper](#) on the Omnibus I package, and on 14 March 2025, we presented the main contents of this package at a public online [event](#).

On 16 December 2025, the European Parliament [voted in favour](#) of the provisional [agreement](#) on the Substance Proposal reached between the European Parliament and the Council of Ministers on 9 December 2025. The Council of Ministers also approved



▲▲ Dr Marco Ebel
▲ Dr Bastian Kiehn, BMJV



▲ Martin Bolten

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. [Overarching Corporate Reporting Issues](#) //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

the agreement. This concluded the trilogue negotiations, and the new EU legislation can now be published in the Official Journal of the EU and transposed into national law by the EU Member States. We published an updated [briefing paper](#) on the Omnibus I package on 19 September 2025.

Formally separated from the substantive changes in the Substance Proposal, the proposal to postpone the timing of the application of the CSRD and the CSDDD ('Stop the Clock' Directive) was presented in the Omnibus I package, and was since published as Directive (EU) 2025/794 in the EU Official Journal, to be transposed into national law by 31 December 2025. Germany has not yet transposed the Stop the Clock Directive.

We closely followed developments relating to the Substance Proposal and discussed them in several meetings of the Joint Technical Committee and the Sustainability Reporting Technical Committee.

The Omnibus I package also contained [proposals](#) for a delegated act amending the provisions of the Taxonomy Regulation (Regulation (EU) 2020/852). We submitted our [comment letter](#) on this to the European Commission on 26 March 2025. As the outcome of the consultation, a new [delegated act](#) was adopted by the Commission on 4 July 2025. In addition, a [Q&A document](#) and [illustrative reporting templates](#) for non-financial entities were published. Furthermore, the European Commission published [draft](#) FAQs on

17 December 2025 to clarify the provisions in the new delegated act. Our Sustainability Reporting Technical Committee discussed the new delegated act in several meetings.

TRANSPOSITION OF THE CSRD

The Corporate Sustainability Reporting Directive (CSRD, Directive (EU) 2022/2464) was originally supposed to be transposed into national law by EU Member States by 6 July 2024. Germany has not yet complied with this obligation. A [draft bill](#) on transposing the CSRD was already published in 2024, but it could no longer be transposed into German law due to the end of the 'traffic light' coalition. The CSRD has since been amended by the 'Stop the Clock' Directive (Directive (EU) 2025/794), which postpones the sustainability reporting obligations for companies in the second and third waves by two years and also postpones the due diligence obligations of the Corporate Sustainability Due Diligence Directive (CSDDD, Directive (EU) 2024/1760). The requirements of the Stop the Clock Directive were supposed to be transposed into German law by 31 December 2025.

On 10 July 2025, the BMJV sent the [ministerial draft](#) to the federal states, local government associations, certain expert groups and affected associations (including the DRSC) and invited them to

submit their comments by 21 July 2025. On 11 July 2025, we published a [briefing paper](#) on the ministerial draft and submitted our [comment letter](#) to the Ministry on 21 July 2025.

On 3 September 2025, the Federal Government approved the [government draft](#) of a bill transposing the CSRD into German law, which was subsequently published by the BMJV together with an [information paper](#). We published a [briefing paper](#) on this draft on 19 September 2025.

On 17 October 2025, the Bundesrat adopted a [response](#) to the government draft, after which the Federal Government submitted its [response](#) to the Bundesrat on 29 October 2025.

The Bundestag debated the draft bill on 9 October 2025 in its first reading and referred it to its committees. The legislative process could no longer be completed in 2025.

We followed the legislative process closely and discussed the draft bill in several meetings of the Joint Technical Committee.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //



▲▲ Sven Jansen

▲ Dr Julia Zicke, EFRAG SR TEG

OTHER PROJECTS AND COOPERATION ARRANGEMENTS

Trilogue between BaFin, DRSC and IDW

Together with the German Federal Financial Supervisory Authority (BaFin) and the Institute of Public Auditors in Germany (IDW), we launched a new format for regular, proactive trilogue between national standard-setter, enforcement and the auditing profession in the summer of 2024 that continued intensively in 2025.

The third trilateral dialogue was held in Frankfurt am Main on 7 May 2025, with discussions once again focusing on numerous developments in financial and sustainability reporting. On the subject of financial reporting, topics discussed included the potential impact of the geopolitical environment on reporting, current developments in IFRSs and pronouncements by the IFRS IC, as well as the ESMA report on enforcement activities in 2024. With regard to sustainability reporting, experiences from the 2024 reporting season were discussed. Likewise, all participating institutions shared their views on the progress of the European Commission's Omnibus Initiative and the revision of ESRS Set 1 by EFRAG.

The fourth meeting was held in Berlin on 10 September 2025. Among other things, the focus this time was on management reporting (as well as selected wording in GAS 20), the application of examples expected by the IASB for the disclosure of uncertainties in consolidated financial statements, and current European and national efforts to amend and implement the CSRD and revise the ESRS. We also presented current issues and discussions from our Preparer Forums.

At both meetings, all participants emphasised the particular importance of and need for timely and transparent exchange between the three organisations, which will continue in the future in the form of the trilogue.

Strategic Intangibles Initiative: International cooperation on the recognition and reporting of intangible assets

The Strategic Intangibles Initiative continued its work in 2025 as an international platform for sharing information on greater transparency about intangible assets. The Initiative, which was launched in 2024 by the World Intangible Capital Initiative (WICI) and was unveiled in October 2024 at the IFRS Foundation's Integrated Think-

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

ing and Reporting Conference in Milan, focused in 2025 on bringing together existing international initiatives and systematically coordinating their results. As a founding member, the DRSC provides ongoing support for the activities of the Strategic Intangibles Initiative.

Seven meetings were held throughout 2025, with 18 member organisations actively participating. The meetings provided a forum for sharing experiences and insights on measurement, reporting and metrics development. The members discussed which approaches have proven successful in practice and how synergies between existing initiatives can be leveraged.

The plan for 2026 is to continue the work in two working groups: one group will focus on reporting, disclosure and metrics, while the other will focus on the measurement of assets and their impact.

The eighth meeting of the Strategic Intangibles Initiative was held on 4 December 2025 and served to reach agreement on the work plan for 2026 and the strategic direction of the Initiative. Overall, in 2025 the Initiative strengthened international exchange, deepened cooperation between member organisations and laid the groundwork for planned publications in 2026.

Amendments to the Regulatory Technical Standards for the ESEF Regulation and the EEAP Regulation

On 13 December 2024, the European Securities and Markets Authority (ESMA) launched a [consultation](#) on amending the Regulatory Technical Standards (RTS) for the ESEF Regulation (European Single Electronic Format, Delegated Regulation (EU) 2019/815) and the EEAP Regulation (European Electronic Access Point, Delegated Regulation (EU) 2016/1437). As well as proposals on digital financial reporting, the consultation also included proposals on digital sustainability reporting. These included rules on machine-readable sustainability disclosure mark-ups and two XBRL taxonomies for disclosures in accordance with ESRS and the Taxonomy Regulation. We submitted our [comment letter](#) to ESMA on 31 March 2025. ESMA originally intended to publish a final report on the consultation with its final proposals for amending the ESEF RTS in the third quarter of 2025 and to submit it to the European Commission. However, this had not yet happened by the end of 2025.

We closely monitored developments in digital sustainability reporting and discussed the drafts in several meetings of the Joint Technical Committee.

In addition, a total of six meetings of the joint working group of the DRSC and XBRL Germany on ‘Digital Sustainability Reporting’ were held in 2025, during which the ESMA proposals to amend the ESEF RTS were discussed.



▲▲ Till Kohlschmitt

▲ Dr Marco Liepe

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

COMMENTS AND OTHER PUBLICATIONS

Publication date	Topic
I. Participation in other consultations	
31/03/2025	ESMA: Consultation on amendments to the Regulatory Technical Standards for the ESEF Regulation and the EEAP Regulation
21/07/2025	BMJV: Draft Act to transpose Directive (EU) 2022/2464 with regard to sustainability reporting by companies in the version amended by Directive (EU) 2025/794 (in German only)
05/12/2025	European Commission: Submission of comments on the simplification of the technical screening criteria in the Taxonomy Regulation

Publication Date	Subject
II. Other publications	
31/01/2025	DRSC Position Paper: Measures to improve the European legal framework for sustainability reporting (in German only)
06/03/2025	DRSC Briefing Paper: Omnibus Initiative to simplify sustainability reporting (in German only)
14/03/2025	DRSC public information event on the European Commission's Omnibus I proposal: Presentation (in German only)
21/03/2025	Summary of a discussion with companies on the potential design of the Omnibus Initiative (DRSC/German Engineering Federation/Vereinigung zur Mitwirkung an der Entwicklung des Bilanzrechts für Familiengesellschaften)
11/07/2025	DRSC Briefing Paper: Ministerial Draft of the Act Transposing the CSRD into German Law (in German only)
19/09/2025	DRSC Briefing Paper: Government Draft of the Act Transposing the CSRD into German Law (in German only)
24/11/2025	Position Paper of the Working Group on External Corporate Reporting and Integrated Reporting and Sustainable Management of the Schmalenbach Gesellschaft für Betriebswirtschaft e.V. and the DRSC "Acting Collaboratively, Reporting Holistically – Connectivity as the Guiding Principle of Tomorrow's Reporting". Der Betrieb 48/2025, German/English Summary of Key Statements
18/12/2025	DRSC Briefing Paper: Between practical implementation and regulatory uncertainty – Current status of the DRSC's standard-setting activities in response to the CSRD
19/12/2025	DRSC Briefing Paper (updated): Omnibus I Package for simplifying sustainability reporting

PUBLIC DIALOGUE

WE SUPPORT CHANGE – THROUGH CLOSE DIALOGUE AT ALL LEVELS



Reducing bureaucracy in corporate reporting is an ongoing process that relies heavily on constructive dialogue between all stakeholders. The DRSC is supporting developments both at the level of standard-setting and in terms of practical implementation, while at the same time creating suitable platforms for dialogue between practitioners, standard-setters and policymakers. In 2025, this commitment was reflected, among other things, in various DRSC preparer forums, which sought to develop practical

solutions for companies and standard-setting. In addition, two conferences on sustainability reporting were held to discuss perspectives and challenges and to promote transformation through simplified regulation. Complementing this, a joint DRSC/Deloitte study on the implementation of EU sustainability requirements by listed German companies provided important insights for practitioners, standard-setters and policymakers.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

[IV. Spotlight on Members //](#)

V. Financial Information //

VI. Governing Bodies and Standing Committees //

IV. Spotlight on Members

This section addresses the activities we performed exclusively for our members in 2025: our preparer forums and the regular video conference calls with Chief Accounting Officers (CAO Calls).

In this form of cooperation, we attach particular importance to multidirectional communication. On the one hand, we provide our members with information on current topics in corporate reporting. On the other, we invite them to provide us with specific feedback on selected issues. In addition, we create opportunities for members to exchange experiences and questions with each other.

PREPARER FORUMS

ESEF-based Electronic Financial Reporting

Two meetings of the DRSC Preparer Forum for ESEF-based Electronic Financial Reporting were held in 2025.

In March 2025, participants first received an update on the European Commission's proposals to simplify sustainability reporting as part of the Omnibus Initiative. Following this, the main focus of the meeting was on the presentation and discussion of ESMA's consultation on the [Draft Regulatory Technical Standards](#)

[Amending the ESEF Regulation](#). During the meeting, participants discussed in particular the proposals for revising the mark-up rules for the notes to the IFRS consolidated financial statements.

Another meeting of the Preparer Forum was held in December 2025 in advance of the 2025 reporting season. This meeting focused on the significant changes to the ESEF Core Taxonomy 2024 and the updated [guidance in ESMA's ESEF Reporting Manual](#). The participants first received an update on current developments relating to ESEF-based electronic financial reporting. Participants then took the opportunity to engage in an intensive exchange of experiences on selected issues in the updated ESEF Reporting Manual 2025 (in particular, the updated guidance on marking up nil values in primary financial statements, the Report Package 1.0 specification and the technical implementation of block tagging).

The lively participation in the meetings of the Preparer Forum proves that there is still a need for discussion and sharing experiences on the ESEF reporting format. The DRSC has already held a total of 22 meetings in this format since the ESEF Preparer Forum was established in 2019.

Meetings of the DRSC Preparer Forum for ESEF-based Electronic Financial Reporting are also planned for 2026. We will also actively track the further development of the ESEF reporting format requirements in the Preparer Forum.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. [Spotlight on Members](#) //

V. Financial Information //

VI. Governing Bodies and Standing Committees //



ESRS Application

Back in September 2023, we established an ESRS Preparer Forum to accompany and support companies in the implementation of European sustainability reporting standards. At the meetings of the ESRS Preparer Forum, challenges and questions regarding the implementation of ESRS and their potential solutions are discussed by preparers and auditors of sustainability reports. Certain questions, especially critical and so far unresolved issues, are then submitted to EFRAG (in anonymised form).

The ESRS Preparer Forum continued to enjoy great popularity last year. At the first meeting on 10 March 2025, which was the 13th Preparer Forum on ESRS application, more than 100 participants discussed their experiences and challenges from the first reporting season. Prompted by the revision of ESRS Set 1 announced by the European Commission as part of the Omnibus Initiative, participants at this meeting also shared their assessments of the reporting requirements of ESRS 2 General Disclosures and the ESRS 2-related disclosure requirements in the various topical standards.

Our 14th ESRS Preparer Forum was held on 9 December 2025. Building on the findings of the first meeting and looking ahead to the upcoming reporting season, participants discussed planned changes in their reporting behaviour for financial year 2025, among other topics. The focus was on overarching issues such as the materiality assessment and the presentation and structuring of sustainability reports.



▲▲ Dr Denny Kutter
▲ Dr Rico Chaskel

▲▲ Nicolette Behncke
▲ Jens Berger

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. [Spotlight on Members](#) //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

In light of the dynamic developments surrounding the European Commission's Omnibus Initiative and the associated revision of ESRS Set 1, we will continue holding our ESRS Preparer Forum meetings in 2026.

Implementation of IFRS 18

A total of six meetings of the Preparer Forum on the implementation of IFRS 18 *Presentation and Disclosure in Financial Statements* were held in 2025.

The main focus of the first two meetings in the spring was on discussing a wide range of application and implementation issues, including: the presentation of income and expenses from operating leases from the lessor's perspective, the assessment of whether an entity has a specified main business activity within the meaning of paragraph 49 of IFRS 18, and the presentation of the reconciliation for management-defined performance indicators.

In September, participants first received an update on current discussions by the IFRS IC regarding the classification of foreign exchange differences on intercompany loans in accordance with IFRS 18, as well as the current status of our work on revising ASCG Interpretation No. 4 (IFRS). The participants then used the opportunity to discuss in detail individual issues relating to the implementation of the new standard. The focus was on the implementation of

the requirement under paragraph 83 of IFRS 18 to disclose certain operating expenses by nature of expense and the implementation of the IFRS 18 requirements for the presentation of foreign exchange differences.

In October, members of the Preparer Forum first received an update on the IFRS IC's current discussions relating to IFRS 18 and the status of the endorsement of IFRS 18 in the EU. The participants then shared their experiences of implementing IFRS 18. The focus was on exchanging experiences relating to project set-up, project planning and the impacts of implementation, including issues of account mapping, questions regarding the structure of the statement of cash flows under IFRS 18 and specific presentation issues.

Two further meetings of the Preparer Forum were held in November and December 2025. Prompted by a large number of recent submissions to the IFRS IC relating to IFRS 18, we used the meetings to discuss the IFRS IC's tentative agenda decisions and their impact on the implementation of IFRS 18. In addition, participants once again took the opportunity to discuss implementation issues. The focus was on implementing the disclosures in accordance with paragraph 83 of IFRS 18 on the disclosure of certain operating expenses by nature of expense, which are often very costly to implement in terms of the system for the entities concerned, the disclosures on the expected effects of the initial application of IFRS 18 in accordance with paragraph 30 ff. of IAS 8 in 2025 annual reports, as well as the presentation of income and expenses from operating leases from the lessor's perspective.

Further meetings of the DRSC Preparer Forum on the implementation of IFRS 18 are also planned for 2026. The next meeting is scheduled for the first quarter of 2026.

Minimum Taxation

In light of various practical issues relating to the implementation of the MinStG requirements, we decided to establish a preparer forum on minimum taxation exclusively for our members. The aim of the Preparer Forum is to exchange and discuss implementation issues relating to the Minimum Tax Act (Pillar Two), particularly those of relevance to accounting.

We held two meetings of this Preparer Forum in 2025. The approximately 50 attendees at each event from the areas of preparers, auditors and associations discussed the following topics, among others: adjustments to the base variable of net income/net loss in the IFRS annual financial statements (IFRS adjustments), deferred tax liability recapture rules, gradual reduction of the corporation tax rate and the potential consequences for the CbCR Safe Harbour, procedure for determining deferred tax recast at 15% in the event of different assessment bases for trade tax/corporation tax, calculation of deferred taxes in the event of lock-up period violations after certain reorganisation transactions, calculation of provisions for minimum tax, treatment of partnerships (especially in the case of the CbCR Safe Harbour).

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

[IV. Spotlight on Members //](#)

V. Financial Information //

VI. Governing Bodies and Standing Committees //

We would like to thank our member organisations and the members of the ‘Tax’ working group for their active participation and are already looking forward to further meetings of the Preparer Forum.

Taxonomy Reporting

The objective of this Preparer Forum is to discuss application issues arising at German companies from the application of the Taxonomy Regulation. On 11 March 2025 and 22 September 2025, the members of this forum discussed the requirements of the new delegated act (Delegated Regulation (EU) 2026/73) on reporting for non-financial undertakings.

The European Commission launched a call for evidence (Part 1, Part 2) on simplifying the technical screening criteria on 7 November 2025. The DRSC submitted proposals for simplification on 5 December 2025. The DRSC’s staff collected feedback from participants in the Preparer Forum for this purpose.

As a result of the call for evidence, two delegated acts will be published for public consultation in 2026. The European Commission subsequently intends adopting the final delegated acts for simplifying the screening criteria in the second quarter of 2026. In light of this development, we will continue to hold our Preparer Forum meetings in 2026.

CAO CALLS

Another opportunity for direct dialogue with our members is provided by discussions with the chief accounting officers (CAO Calls) of DRSC members that are listed companies. Due to the broader range of topics covered, this dialogue takes place in a special format: video conference calls, during which carefully selected current topics are presented. We organised three such CAO Calls last year.

In addition to our own activities and projects (such as evaluating the application of IFRSs in Germany and management reporting in accordance with GAS 20), in 2025 we discussed all activities of the IASB and the IFRS IC relating to IFRS accounting standards, as well as those of EFRAG relating to their endorsement, along with other accounting-related topics (e.g. in connection with MinStG, corporation tax reform). We also presented and, in some cases, discussed the comprehensive developments surrounding sustainability reporting (revision of SASB standards, draft amendments by the ISSB, Omnibus Package, CSRD implementation, revision of ESRS Set 1) and the DRSC’s activities in this context.

The DRSC uses these video conference calls to provide the companies with concise information, particularly on current issues that require immediate action. At the same time, participating companies are asked for specific feedback on selected issues. This feedback not only benefits the DRSC, but is also shared directly between the companies.

The continuous high level of participation clearly shows that this ‘institution’ has proven its worth, is explicitly sought after and is considered very successful as it stands. We would like to express our sincere thanks to the participants for their interest and ask them to keep sharing their opinions in future – for the benefit of everyone involved.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

V. Financial Information

FINANCING

The DRSC funds its activities entirely from its membership fees and from royalties, publications and other income. The DRSC may only use income generated by its activities for the purposes Stipulated in its Articles of Association. In this respect, generating a profit is not the primary objective of the Association. Rather, it acts in a non-profit capacity and fulfils its objectives as a professional association for its members. Although it acts in the general economic interest, the DRSC does not receive any public funding for exercising its functions.

In accordance with Article 5 of the Articles of Association, the level of annual membership fees is determined by the General Assembly. From 2025 onwards, the annual membership fees stipulated in the current schedule of fees dated 11 July 2024 are as follows:

Annual Membership Fees EUR	2025	from 2026
Companies (depending on whether and how listed)	11 000 – 55 000	11 500 – 57 500
Audit firms (depending on total audit revenue)	11 000 – 55 000	11 500 – 57 500
Associations	from 22 000	from 23 000
Natural persons	1 100	1 150

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

ANNUAL FINANCIAL STATEMENTS

Balance Sheet as at 31 December 2025

ASSETS (EUR thou.)	31/12/2025	31/12/2024
A. Fixed Assets		
I. Tangible Fixed Assets	35	35
	35	35
B. Current Assets		
I. Receivables and Other Assets		
1. Trade Receivables and Membership Fees	74	82
2. Other Assets	35	32
	109	114
II. Cash, Bank Balances and Cheques	2 389	2 500
	2 498	2 614
C. Prepaid Expenses	2	2
Total Assets	2 535	2 651

EQUITY AND LIABILITIES (EUR thou.)	31/12/2025	31/12/2024
A. Equity		
I. Retained Profits Brought Forward	2 050	2 301
II. Net Loss for the Financial Year	-117	-251
	1 933	2 050
B. Provisions		
Other Provisions	392	383
C. Liabilities		
1. Trade Payables	20	40
2. Other Liabilities	175	148
	195	188
D. Deferred Income	15	30
Total Equity and Liabilities	2 535	2 651

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

ANNUAL FINANCIAL STATEMENTS

Income Statement for the Year Ended 31 December 2025

(EUR thou.)	2025	2024
1. Membership Fees	2 892	2 562
2. Collected Contributions to EFRAG	238	306
3. Other Income	139	101
4. Personnel Expenses	-2 221	-2 058
5. Depreciation and Amortisation Expenses	- 10	- 10
6. Other Expenses	-648	-658
7. Other Interest and Similar Income	18	31
8. Contributions to EFRAG	-525	-525
Collected Contributions to IASB	596	596
Transferred Contributions to IASB	-596	-596
9. Result from the Contributions to IASB	0	0
Collected Contributions to ISSB	783	1 071
Transferred Contributions to ISSB	-783	-1 071
10. Result from the Contributions to ISSB	0	0
11. Net Loss for the Financial Year	- 117	-251

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

INDEPENDENT AUDITOR'S REPORT

To the Accounting Standards Committee of Germany, Berlin

Opinion

We have audited the annual financial statements of the Accounting Standards Committee of Germany – comprising the balance sheet as at 31 December 2025 and the income statement for the financial year from 1 January to 31 December 2025.

In our opinion, on the basis of the knowledge obtained in the audit, the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to all merchants.

Pursuant to section 322(3) sentence 1 of the Handelsgesetzbuch (HGB – German Commercial Code), we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements.

Basis for Opinion

We conducted our audit of the annual financial statements in accordance with section 317 of the HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany – IDW). Our responsibilities under those requirements and principles are further described in the 'Auditor's Responsibilities for the Audit of the Annual Financial Statements' section of our auditor's report. We are independent of the Association in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the annual financial statements.

Responsibilities of Management for the Annual Financial Statements

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to all merchants. In addition, management is responsible for such internal control as it, in accordance with German proper accounting principles, deemed necessary to enable the preparation of annual financial statements that are free from material misstatement due to

fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, management is responsible for assessing the Association's ability to continue as a going concern. It also has the responsibility for disclosing, as applicable, matters relating to going concern. In addition, it is responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict with this.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement due to fraud or error, as well as to issue an auditor's report that includes our audit opinion on the annual financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with section 317 of the HGB in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the IDW will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual financial statements due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control for the Association.
- evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt

on the Association's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to be able to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Berlin, 16 February 2026

FGS Revisions- und Treuhandgesellschaft mbH
Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft
Berlin branch office

Hoppen

Wirtschaftsprüfer (German public auditor)

Jachtner

Wirtschaftsprüfer (German public auditor)

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

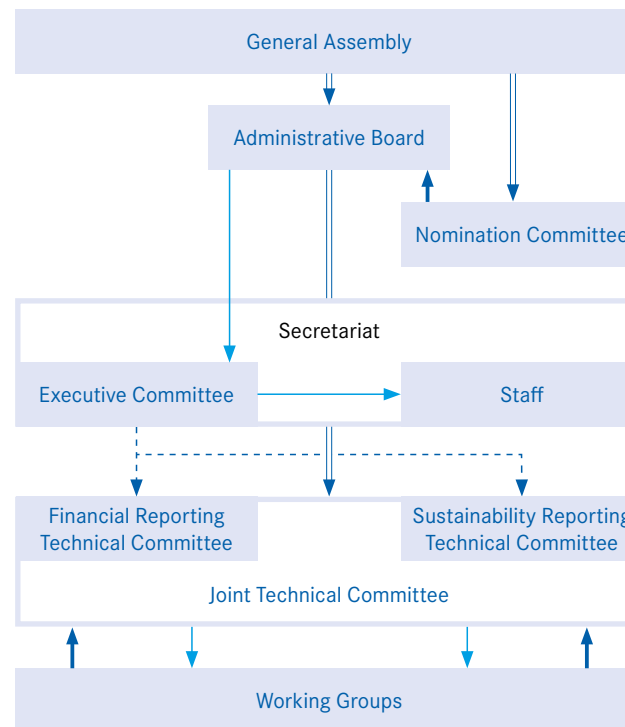
IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

VI. Governing Bodies and Standing Committees

In accordance with the current Articles of Association dated 11 July 2024, the DRSC has the following governing bodies and standing committees that control and shape the work of the Association.

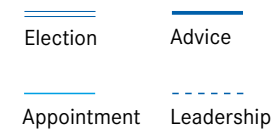


GENERAL ASSEMBLY

The General Assembly meets annually. Among other things, it elects, dismisses and approves the actions of the members of the Administrative Board and the Nomination Committee. It is also responsible for determining the amount of the annual fee, the business plan, adopting the annual financial statements, and amending the Articles of Association.

As the membership structure is designed to represent the different interests of the parties involved in accounting and financial reporting in the general economic interest, each member is allocated to one of the following segments:

- Publicly traded industrial entities and associations (segment 'A'),
- Non-publicly traded industrial entities and associations (segment 'B'),
- Banks and associations (segment 'C'),
- Insurance undertakings and associations (segment 'D'),
- The accounting and auditing profession and associations (segment 'E').



Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

DRSC-Members (as at 31 December 2025)**Companies and Associations**

Aareal Bank AG

Accenture GmbH

adidas AG

Allianz SE

Altana AG

Baker Tilly GmbH & Co. KG

Bansbach GmbH

Barmenia Krankenversicherung AG

BASF SE

Bayer AG

BDO AG

Bertelsmann SE & Co. KGaA

Bilfinger SE

Bayerische Motoren Werke AG

Bundesanzeiger Verlag GmbH

Bundesdruckerei GmbH

Bundesverband der Deutschen Industrie e.V. (BDI)

Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V. (BVR)

Bundesverband Deutscher Banken e.V.

Bundesverband Öffentlicher Banken Deutschlands, VÖB, e.V.

BWI-Bau GmbH

Commerzbank AG

Continental AG

Covestro AG

Daimler Truck AG

Deloitte GmbH

Deutsche Bahn AG

Deutsche Bank AG

Deutsche Post AG

Deutsche Telekom AG

Deutscher Sparkassen- und Giroverband e.V.

DGRV - Deutscher Genossenschafts- und Raiffeisenverband e.V.

Dornbach GmbH

Drägerwerk AG & Co. KGaA

E.ON SE

EnBW Energie Baden-Württemberg AG

EY GmbH & Co. KG

ETL AG

Evonik Industries AG

firesys GmbH

Forvis Mazars GmbH & Co. KG

Fresenius Medical Care AG & Co. KGaA

Fresenius SE & Co. KGaA

Freudenberg & Co. KG

GEA Group AG

Generali Deutschland AG

Genoverband e.V.

German Insurance Association GDV

Grant Thornton AG

Henkel AG & Co. KGaA

Hornbach Holding AG & Co. KGaA

Horváth AG

INA-Holding Schaeffler GmbH & Co. KG

init innovation in traffic systems SE

Infineon Technologies AG

Institut der Wirtschaftsprüfer in Deutschland e.V.

K+S AG

Klößner & Co SE

KPMG AG

LANXESS AG

Lucanet AG

Mercedes-Benz Group AG

Merck KGaA

Metro AG

MTU Aero Engines AG

Münchener Rückversicherungs-Gesellschaft AG

Nordex SE

OSRAM Licht AG

Otto GmbH & Co. KG

PKF Deutschland GmbH

Porsche Automobil Holding SE

PricewaterhouseCoopers GmbH

ProSiebenSat.1 Media SE

Renk Group AG

Robert Bosch GmbH

Rödl Audit GmbH Wirtschaftsprüfungsgesellschaft

RSM Ebner Stolz GmbH & Co. KG

RWE AG

SAP SE

Sartorius AG

Schaeffler AG

Schwarz Dienstleistung KG

Siemens AG

Siemens Energy AG

Siemens Healthineers AG

Südzucker AG

Talanx AG

thyssenkrupp AG

Traton SE

TÜV SÜD AG

Vereinigung zur Mitwirkung an der Entwicklung des Bilanzrechts für Familiengesellschaften e.V. (VMEBF)

Volkswagen AG

Vonovia SE

Wintershall Dea AG

Wirtschaftsprüferkammer Körperschaft des öffentlichen Rechts

WTS Advisory AG

ZF Friedrichshafen AG

Individual

Prof. Dr Edgar Löw, Kriftel/Ts

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

ADMINISTRATIVE BOARD

The Administrative Board has 20 members who are elected by the General Assembly for a three-year term of office. The Administrative Board defines the principles and guidelines for the work of the association, and in particular of the technical committees and the Executive Committee, taking the general economic interest into account. It elects the members of the technical committees and appoints, advises and supervises the Executive Committee.

Chair

Marco Swoboda

Henkel AG & Co. KGaA

Deputy Chair

Prof. Dr Dieter Truxius

ACCOBIS GmbH & Co. KG

Treasurer

Christian Sailer (WP)

KPMG AG

Members

Anke Daßler

ista SE

Klaus Eckmann (WP, StB)

BDO AG

Dieter Gahlen (WP)

DGRV – Deutscher Genossenschafts- und Raiffeisenverband e.V.

Tobias Lages

BASF SE

Walter Merti

Bayerische Motoren Werke AG

Thomas Messerle

Infineon Technologies AG

Andreas Roeper

Fresenius SE & Co. KGaA

Melanie Sack (WP, StB)

Institut der Wirtschaftsprüfer in Deutschland e.V.

Dr Roman Sauer

Allianz SE

Dr Jochen Schmitz

Siemens Healthineers AG

Andrea Schriber

Deutsche Bank AG

Karolin Schriever

Deutscher Sparkassen- und Giroverband e.V.

Dr Christopher Sessar

SAP SE

Götz Treber

German Insurance Association GDV

Helene von Roeder

Merck KGaA

Dr Jürgen Wagner

Siemens AG

Dr Hilmar Zettler

Bundesverband deutscher Banken e.V.

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

NOMINATION COMMITTEE

The Nomination Committee comprises nine members who are elected by the General Assembly for a three-year term of office. The Nomination Committee submits proposals to the Administrative Board for the election of the members of the Executive Committee and the technical committees.

Chair

Jonathan Townend

Bayerische Motoren Werke AG

Deputy Chair

Santokh Advani

Marquard & Bahls AG

Members

Prof. Dr Alexander Bassen

University Hamburg

Andreas Dörschell (WP, StB)

Wirtschaftsprüferkammer

Prof. Dr Rolf Uwe Fülbier

University of Bayreuth

Prof. Dr Joachim Hennrichs

University of Cologne

Gerhard P. Hofmann

Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e. V.

Prof. Dr Joachim Kölschbach

KPMG AG

EXECUTIVE COMMITTEE

The Executive Committee comprises the President and Vice-President. The members of the Executive Committee are elected by the Administrative Board for three years at the proposal of the Nomination Committee. They may be re-elected. The Executive Committee manages the business of the association, represents the association and the technical committees and their work externally, and is the legal representative of the association in accordance with section 26 of the *Bürgerliches Gesetzbuch* (BGB – German Civil Code). It chairs the technical committees without voting rights.

President



Georg Lanfermann (WP, StB)

Vice-President



Prof. Dr Sven Morich (WP, StB)

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

TECHNICAL COMMITTEES

The technical work of the DRSC is carried out in the Financial Reporting Technical Committee, Sustainability Reporting Technical Committee and the Joint Technical Committee.

The Financial Reporting Technical Committee and Sustainability Reporting Technical Committees each consist of eleven members. The Joint Technical Committee consists of the members of both Technical Committees.

The technical committees are responsible for elaborating

- accounting standards within the meaning of section 342q of the HGB,
- interpretations of the international accounting standards within the meaning of section 315e of the HGB,
- comment letters to national and international bodies on accounting and financial reporting issues,
- discussion papers, other comment letters and publications.

Financial Reporting Technical Committee



Chair

Prof. Dr. Sven Morich (WP, StB)
Vice-President of the DRSC



Dr. Patrick Bosch

Category: Preparer
Allianz SE

Members



Jens Berger

Category: Auditor
Deloitte GmbH



Gero Bothe

Category: Preparer
Deutsche Pfandbriefbank AG



Andreas Bödecker (WP, StB)

Category: Auditor
PricewaterhouseCoopers GmbH



Dr. Marco Ebel

Category: Preparer
Siemens AG



Prof. Dr. Corinna Ewelt-Knauer

Category: Academic
Justus-Liebig University of Gießen
(until 31 March 2025)

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //



Peter Thilo Hasler

Category: Data User
Sphene Capital GmbH



Cedric von Osterroht (StB)

Category: Preparer
EDEKA Minden-Hannover
Zentralverwaltungsgesellschaft mbH



Sven Jansen

Category: Preparer
Hellmann Worldwide Logistics SE & Co. KG
(since 1. May 2025)



Prof. Dr Carsten Theile

Category: Academic
Hochschule Bochum
(since 1 May 2025)



Till Kohlschmitt (WP)

Category: Auditor
Ebner Stolz GmbH & Co. KG
(since 1 December 2025)



Birgit Weisschuh (WP, CPA)

Category: Auditor
Ebner Stolz GmbH & Co. KG
(until 30 November 2025)



Dr Michael Seifert

Category: Preparer
BayWa AG

Sustainability Reporting Technical Committee



Chair

Georg Lanfermann (WP, StB)
President of the DRSC

Members



Nicolette Behncke (WP)

Category: Auditor
PricewaterhouseCoopers GmbH



Carsten Beisheim

Category: Preparer
GvW Graf von Westphalen Rechtsanwälte
Steuerberater Partnerschaft mbB

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //



Martin Bolten

Category: Preparer
NRW.BANK



Dr Rupini Deepa Sobottka

Category: Data User
Berenberg Wealth & Asset Management



Susanne Visbeck

Category: Preparer
Münchener Rückversicherungs-Gesellschaft AG
(since 1 May 2025)



Tanja Castor

Category: Preparer
BASF SE



Noura Rhemouga

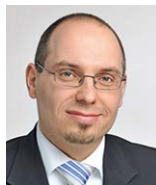
Category: Preparer
Hochwald Foods GmbH

STAKEHOLDER PANEL

At its meeting on April 29, 2024, the Administrative Board of the DRSC decided to set up a Stakeholder Panel. The aim is to involve users of company reports directly in the discussions of the technical committees in an advisory capacity.

Members

Deutsche Börse Group
DVFA e. V.



Prof. Dr Christian Fink

Category: Academic
RheinMain University of Applied Sciences



Dr Lothar Rieth

Category: Preparer
EnBW Energie Baden-Württemberg AG



Prof. Dr Kerstin Lopatta

Category: Academic
Auditing und Sustainability, University Hamburg



Alexandra Schädler

Category: Data User
Hans-Böckler-Stiftung

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

STAFF

The DRSC's staff are highly qualified specialists with backgrounds in industry, research and teaching. They provide technical support to both the IFRS Technical Committee and the German GAAP Technical Committee, and to the German members of international bodies

Technical Directors



Dr Kati Beiersdorf
beiersdorf@drsc.de



Dr Jan-Velten Große
grosse@drsc.de



Dr Thomas Schmotz
schmotz@drsc.de

Research Director



Kristina Schwedler
schwedler@drsc.de

Project Assistant



Erika Bognár
bognar@drsc.de

Administration/Support



Franziska Ernst
ernst@drsc.de



Vicky Griesbach
griesbach@drsc.de

Miriam Dock
dock@drsc.de

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

Project Managers



Olga Bultmann
bultmann@drsc.de



Dr Denny Kutter
kutter@drsc.de



Dr Ilka Canitz
canitz@drsc.de



Dr Marco Liepe
liepe@drsc.de



Dr Rico Chaskel
chaskel@drsc.de



Peter Zimniok
zimniok@drsc.de



Dr Jan-Robert Kirchner
kirchner@drsc.de

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

WORKING GROUPS

For major projects, the technical committees establish working groups to provide technical support, consisting primarily of preparers, auditors and academics. As of December 31, 2025, the following working groups existed:

Financial Instruments

Dr Christoph Weber (Chair)	Landesbank Hessen-Thüringen
Dr Alexander Bantz	BASF SE
Mario Bremenkamp	Covestro Deutschland AG
Markus Grieß	Talanx AG
Mattis Hagemann	KfW Bankengruppe
Dr Patrick Kehm	Commerzbank AG
Christian Mertes (WP)	PricewaterhouseCoopers GmbH
Dr Sebastian Riemenschneider	RWE AG
Alexander Thyroff	R+V Lebensversicherung AG
Dr Wolfgang Weber	Deutsche Bank AG
Jens Berger *	Deloitte GmbH
Gero Bothe *	Deutsche Pfandbriefbank AG
Dr Jan-Velten Große	DRSC e. V.

Intangible Assets

Christoph Schwager (Chair)	Christoph Schwager GmbH
Anja Fink (WP)	Deloitte GmbH
Prof. Dr Ralf Frank	GISMA Business School
Prof. Dr Isabel von Keitz	Münster University of Applied Sciences
Dr Michael Link	SAP SE
Hanno Wulbrand	Bayer AG
Prof. Dr Christian Fink **	RheinMain University of Applied Sciences
Kristina Schwedler	DRSC e. V.

Climate Reporting

Dr Klaus Hufschlag (Chair)	Deutsche Post DHL
Barbara Gsottschneider	Münchener Rückversicherungs-Gesellschaft AG
Robert Kitel	alstria office REIT-AG
Prof. Dr Kerstin Lopatta	University Hamburg
Tom Liese	RWE AG
Dr Susanne Pankov	TÜV Süd AG
Kerstin Schlesiger	Bayer AG
Maximilian Winkler	Klima.Metrix GmbH
Jens Berger*	Deloitte GmbH
Prof. Dr Christian Fink **	RheinMain University of Applied Sciences
Dr Thomas Schmotz	DRSC e. V.

* Committee Liaison Member of the Financial Reporting Technical Committee

** Committee Liaison Member of the Sustainability Reporting Technical Committee

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

Consolidation

Prof. Dr Bernd Stibi (Chair)	Institut der Wirtschaftsprüfer in Deutschland e. V.
Dr Stephan Brandt	Investitionsbank Berlin
Michael Deubert (WP, StB)	PricewaterhouseCoopers GmbH
Eric Eispert	Deutscher Sparkassen- und Giroverband e. V.
Prof. Dr Christian Gaber	IKB Deutsche Industriebank AG
Dr Adam Gieralka	Gesamtverband der Deutschen Versicherungswirtschaft e. V.
Bastian Hammer	BVI Bundesverband Investment und Asset Management e. V.
Prof. Dr Hans-Jürgen Kirsch	University of Münster
Henrik Müller	Wilh. Werhahn KG
Claudia Nikolic (StB)	Bayerische Beamten Lebensversicherung a. G.
Prof. Dr Thomas Senger	Grant Thornton AG
Prof. Dr Ahmad Sultana	Fachhochschule Südwestfalen
Andreas Bödecker (WP, StB) *	PricewaterhouseCoopers GmbH
Peter Zimniok	DRSC e. V.

Group Management Report

Prof. Dr Peter Kajüter (Chair)	University of Münster
Andrea Bardens	Accenture GmbH
Martin Bolten	NRW.BANK
Werner Ellmauer	Bayerische Motoren Werke AG
Tanja Grimme (WP, StB)	ETL AG
Dr Volker Kaminski	Herrenknecht AG
Nicole Richter (WP, StB)	PricewaterhouseCoopers GmbH
Kerstin Schlesiger	Bayer AG
Prof. Dr Christian Fink **	RheinMain University of Applied Sciences
Dr Thomas Schmotz	DRSC e. V.

Remuneration of Members of Governing Bodies

Prof. Dr Nils Crasselt (Chair)	University of Wuppertal
Dr Stefan Bischof	BDO AG
Martin Bolten	NRW.BANK
Rainer Gebele	KPMG AG
Marc Muntermann	Siemens AG
PD Dr Moritz Pöschke	University of Cologne
Dirk Rimmelspacher	PricewaterhouseCoopers GmbH
Regine Siepmann	hkp Deutschland GmbH
Dr Thomas Schmotz	DRSC e. V.

* Committee Liaison Member of the Financial Reporting Technical Committee

** Committee Liaison Member of the Sustainability Reporting Technical Committee

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

Pensions

Dr Friedemann Lucius (Chair)	HEUBECK AG
Dr Stefan Bischof	BDO AG
Larsen Dietz	Bayer AG
Dr Peter Feige	PricewaterhouseCoopers GmbH
Jürgen Fodor	Willis Towers Watson
Dr André Geilenkothen	Mercer Deutschland GmbH
Thomas Hagemann	Mercer Deutschland GmbH
Dr Stefan Schreiber	Deloitte GmbH
Harald Stuhlmann	Continental Automotive GmbH
Dr Knut Tonne	KPMG AG
Kristina Schwedler	DRSC e. V.

Rate-regulated Activities

Markus Lotz (Chair)	50Hertz Transmission GmbH
Dr Holger Amshoff	Amprion GmbH
Dr Gunther Falkenhahn	E.ON SE
Dr Benedikt Brüggemann (WP)	Deloitte GmbH
Tjark Eickhoff (WP, StB)	EY GmbH & Co. KG
Dr Jens Freiberg	BDO AG
Alexander Hänle	TransnetBW GmbH
Udo Kalk-Griesan (WP, StB)	PricewaterhouseCoopers GmbH
Gerd Lützelner (WP)	Private Practice
Alexander Monsch	TenneT TSO GmbH
Olga Bultmann	DRSC e. V.

Taxes

Dr Gabriele Rautenstrauch (StB) (Chair)	WTS Group AG
Lukas Benzinger (WP)	Universität Hohenheim
Jochen Bohne (StB, RA)	German Insurance Association GDV
Jürgen Brokamp (LL.M. Int'l. Tax, N.Y.U.)	Institut der Wirtschaftsprüfer in Deutschland e. V.
Michael Deubert (WP, StB)	PricewaterhouseCoopers GmbH
Stefan Ettmayr	Siemens Energy AG
Dr Felix Fischer (StB)	Deloitte GmbH
Roland Franke	Foundation for Family Businesses and Politics
Dr Benedikt Fürst (WP, StB)	BDO AG
Fabian Hoffmann	Henkel AG & Co. KGaA
Helen Kamm (StB)	Schwarz Dienstleistung KG
Katrin Knorr	Covestro Deutschland AG
Benno Lange (WP, StB)	dhpg Dr. Harzem & Partner mbB
Iryna Likhota (StB)	EnBW Energie Baden-Württemberg AG
Dr Christopher Ludwig	BASF SE
Pamina Merk	Boehringer Ingelheim Corporate Center GmbH
Thorsten Schauf (WP, StB, CPA)	Deutsche Bank AG
Jens Schröter (StB)	Volkswagen AG
Dr Alfred Simlacher	Siemens AG
Prof. Dr Karina Sopp	Technische Universität Bergakademie Freiberg
Eva Stauske (WP, StB)	EY Tax GmbH Steuerberatungsgesellschaft
Rainer Usinger (WP, StB)	PricewaterhouseCoopers GmbH
Katrin Weigand (StB)	Merck KGaA
Andreas Bödecker (WP, StB) *	PricewaterhouseCoopers GmbH
Olga Bultmann	DRSC e. V.

* Committee Liaison Member of the Financial Reporting Technical Committee

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

Insurance

Dr Roman Sauer (Chair)	Allianz SE
Ingo Bauer	R+V Versicherung AG
Olaf Brock	Hannover Rück SE
Dr Roland Feldhoff	Generali Deutschland AG
Adrian Geisel	Deloitte GmbH
Dr Adam Gieralka	German Insurance Association GDV
Dr Markus Horstkötter	EY GmbH & Co. KG
Matthias Kling	Wüstenrot & Württembergische AG
Florian Möller (WP, StB)	PricewaterhouseCoopers GmbH
Markus Müller (WP, StB)	BDO AG
Dr Frank Pfaffenzeller	KPMG AG
Dr Werner Rockel	Münchener Rückversicherungs-Gesellschaft AG
Prof. Dr Fred Wagner	University of Leipzig
Dr Carsten Zielke	Zielke Research Consult GmbH
Dr Patrick Bosch *	Allianz SE
Dr Jan-Velten Große	DRSC e. V.

* Committee Liaison Member of the Financial Reporting Technical Committee

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

ABBREVIATIONS

AG	<i>Aktiengesellschaft</i> (German stock corporation)	GHG	Greenhouse Gas	SR	Sustainability Reporting
AFRAC	Austrian Financial Reporting Advisory Committee	GmbH	<i>Gesellschaft mit beschränkter Haftung</i> (German limited liability company)	StB	<i>Steuerberater</i> (Tax adviser)
AO	<i>Abgabenordnung</i> (Fiscal Code of Germany)	HGB	<i>Handelsgesetzbuch</i> (German Commercial Code)	TEG	Technical Experts Group
ASAF	Accounting Standards Advisory Forum	IAS(s)	International Accounting Standard(s)	VSME	Voluntary Sustainability Reporting Standard for non-listed SMEs
ASCG	Accounting Standards Committee of Germany	IASB	International Accounting Standards Board	WICI	World Intangible Capital Initiative
BGB	<i>Bürgerliches Gesetzbuch</i> (German Civil Code)	IDW	<i>Institut der Wirtschaftsprüfer in Deutschland e. V.</i> (Institute of Public Auditors in Germany)	WP	<i>Wirtschaftsprüfer</i> (German public auditor)
BMF	<i>Bundesministerium der Finanzen</i> (Federal Ministry of Finance)	IFASS	International Forum of Accounting Standard Setters	WSS	World Standard Setters
BMJV	<i>Bundesministerium der Justiz und für Verbraucherschutz</i> (Federal Ministry of Justice and Consumer Protection)	IFRS(s)	International Financial Reporting Standard(s)	XBRL	eXtensible Business Reporting Language
CAO	Chief Accounting Officer	IFRS IC	IFRS Interpretations Committee		
CbCR	Country-by-Country-Reporting	IG	Implementation Guidance		
CPA	Certified Public Accountant	ISSB	International Sustainability Standards Board		
CSRD	Corporate Sustainability Reporting Directive	KG	<i>Kommanditgesellschaft</i> (German limited partnership)		
Dr	Doctor	KGaA	<i>Kommanditgesellschaft auf Aktien</i> (German partnership limited by shares)		
ED	Exposure Draft	LLC	Limited Liability Company		
EFRAG	European Financial Reporting Advisory Group	MinStAnpG	<i>Mindeststeueranpassungsgesetz</i> (Minimum Tax Adjustment Act)		
EC	European Community	MinStG	<i>Mindeststeuergesetz</i> (Minimum Tax Act)		
ESAP	European Single Access Point	OECD	Organisation for Economic Co-operation and Development		
ESEF	European Single Electronic Format	Prof.	Professor		
ESMA	European Securities and Markets Authority	RNE	<i>Rat für Nachhaltige Entwicklung</i> (German Council for Sustainable Development)		
ESRS	European Sustainability Reporting Standard(s)	SASB	Sustainability Accounting Standards Board		
ETR	Effective Tax Rate	SE	Societas Europaea (European company)		
EU	European Union	SMEs	Small and medium-sized enterprises		
e. V.	<i>Eingetragener Verein</i> (German registered association)				
FR	Financial Reporting				
GAAP	Generally Accepted Accounting Principles				
GAS(s)	German Accounting Standard(s)				

Forewords //

I. Financial Reporting //

II. Sustainability Reporting //

III. Overarching Corporate Reporting Issues //

IV. Spotlight on Members //

V. Financial Information //

VI. Governing Bodies and Standing Committees //

CONTACT INFORMATION

Published by

Deutsches Rechnungslegungs Standards Committee e. V.

Joachimsthaler Str. 34

10719 Berlin

Germany

Tel. + 49 (30) 20 6412-0

Fax + 49 (30) 20 6412-15

E-Mail info@drsc.de

Website www.drsc.de

Registered at the Local Court of Berlin-Charlottenburg

Register of Associations number HRB 18526 Nz

Project Management and Editorial

Olga Bultmann, DRSC e. V.

Design and Illustrations

Kammann Rossi GmbH, Cologne

The illustrations in this report were created using AI.

English Translation

Robin Bonthron, Premium Financial-Legal Translations, LLC,

Bay City, Texas, USA

Photography

Guido Schwarz Photographie, Berlin

DRSC e. V.

LIABILITY/COPYRIGHT

The publisher does not accept any liability for, and does not represent or endorse the accuracy or reliability of, any of the information and content contained in this report. No part of this publication may be reproduced or transmitted, unless explicitly permitted by law, in any form or for any purpose without the express permission of the publisher.

© Copyright 2026 Accounting Standards Committee of Germany.
All rights reserved.

All information valid as at: 31 March 2026.



DRSC